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2 JUNE 1986

Southeast Asia Report

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/12223

MALAYSIA

SURRENDERED COMMUNIST GUERRILLAS PARADED BEFORE PRESS

Auckland THE NEW ZEALAND HERALD in English 28 Apr 86 p 7

[Text]

NZPA-Reuter Kuala Lumpur

Malaysia paraded 20 men and 23 women, said to be communist guerrillas who had surrended, in front of reporters in Kuala Lumpur yesterday.

Authorities said a further 256 armed rebels were still holding out in the jungle.

The police chief, Tan Sri Haniff Omar, said the 43, all ethnic Chinese, had given up their armed struggle in Malaysia and Sarawak to oust the Government between 1981 and 1983.

The surrender, the biggest since 1972 when 570 guerrillas left the jungles under an amnesty, was kept secret to avoid jeopardising counter-insurgency operations, he said.

The 43, accompanied by 23 children born during their detention, looked healthy and were well-dressed.

A guerrilla spokesman, Chin Fong, said he and his fellow detainees represented the entire 9th Armed Work Force. "We have now laid down our arms and have quit the jungle for good.

"We have become weary and . disillusioned."

Scores of captured rifles, pistols, grenades, mines and radios were also displayed.

Some of the guns were American dating from the Second World War.

Malaysian authorities have appealed to the remaining guerrillas to lay down their arms.

Police believe 2000 active but unarmed supporters give them logistical back-up from southern Thailand.

Police sources said the Government still considered the country to be under what they called the second phase of the Emergency, which started in 1968.

The first phase was completed by British, Commonwealth and local forces between 1948 and 1960.

/9317
CSO: 4200/1033

NOO YEE PAN SEEN AS POSSIBLE MCA CANDIDATE IN GENERAL ELECTION

Selangor KIN KWOK DAILY NEWS in Chinese 24 Mar 86 p 3

[Text] Datuk Lee Kim Sai, general secretary of the Malaysian Chinese Association [MCA], asserted today that in the next general election his party "will not get rid of those who hold views different from our own."

He indicated that those persons, who did not support the current MCA leadership during the factional fight, will not have their names scratched off the list of candidates, as long as they truly serve the party in government and national matters and still enjoy the support of the people.

Datuk Lee was replying to a reporter's question after presiding over the opening ceremony of a seminar on "Blueprints for Industries" organized by an MCA branch in Kuala Lumpur today.

Asked whether the former MCA acting president, Datuk Neo Yee Pan, was included on the general election candidates' list, Datuk Lee Kim Sai said: "We will consider Datuk Neo."

Asked whether Datuk Neo "truly serves the party," Datuk Lee said: "You can also see it yourselves."

However, Datuk Lee pointed out, whether Datuk Neo's name would be listed or not, still depended on the opinions of the MCA Kuala Lumpur division.

At any rate, Datuk Lee added, the MCA is preparing a list of candidates for the general election, and Datuk Neo Yee Pan will be placed under consideration. On the problem of a good number of MCA leaders jumping over the fence to some other parties, Datuk Lee said that his party is not worried about this matter.

He said: "One or two members of MCA jumping over the fence will not affect our party in any way, because the basic strength of the entire entity remains in the party."

On the issue of allocation of electoral districts of National Front member parties, Datuk Lee pointed out that in principle, if a certain political party gets the upper hand in a certain electoral district, the same electoral district will be given to the party concerned to be contested in the following election.

However, this does not mean that the party concerned will automatically carry the day in the same electorial district forever, Datuk Lee stressed.

9300/13046
CSO: 4205/15

MALAYSIA

MCA OFFICIAL CONDEMNS VIOLENCE IN SABAH

Selangor KIN KWOK DAILY NEWS in Chinese 24 Mar 86 p 3

[Text] Datuk Lee Kim Sai, general secretary of the Malaysian Chinese Association [MCA], indicated that his party vehemently condemns troublemakers who stirred up violence in Sabah during the past week.

He said: "People's choice is sacred and violence cannot solve problems. We urge the parties concerned to halt these violent actions. Nobody can defy the law with impunity."

Fortunately, Datuk Lee said, the police are closely overseeing the overall situation and taking appropriate measures, otherwise the conditions would get worse.

He said that the MCA had not spoken out on this issue until now, because it had all along been aiding the government in resolving the difficulties.

He said: "We must uphold the aspirations of the people."

He was talking to reporters after officiating at the opening ceremony of a seminar on "Blueprints for Industries" organized by the MCA's youth wing in the Federal Territory today.

9300/13046
CSO: 4205/15

ABOLISHING ARTICLE 21 (2) OF EDUCATION DECREE URGED

Selangor SIN CHEW JIT POH MALAYSIA in Chinese 24 Mar 86 p 2

[Text] The vice chairman of the Chinese Teachers Federation, Loke Ting Geok, stressed today that abolishing Article 21 (2) of the 1961 Education Decree is the first step leading toward an overall amendment of the said decree.

He pointed out that "amending" the said article represents not only an aspiration of Chinese society but also a resolution passed by the 1977 annual convention of the Malaysian Chinese Association [MCA], on the ground that the provision had sealed the fate of interference of Chinese primary and middle schools.

Loke Ting Geok was speaking about "the task and mission of the Working Committee for the Development of Chinese Primary Schools" at a seminar organized by the Perak Chinese School trustees Federation held in Ipoh Yuk Choi Independent Chinese School today.

He said: "Nobody plays by the rules of the game in this era of ours. So, if someone should feel hurt by my caustic remarks, let God be the witness. Today we must shout louder than before that we are not second-class citizens--that is our inner voice."

He indicated that the Chinese must discuss problems concerning language, culture, and mother-tongue education on an equal footing with other nationalities.

The topic of Mr Loke's talk today was "The Development of Chinese Language Education Before and After Independence."

He said: "Before independence, the mother-tongue education of the Malays reached the primary education level only, but from then on up to now, it has developed to the level of higher education, and many talented people have been nurtured, all at state expense."

After independence, Mr Loke continued, public-supported Chinese-language primary schools still manage to exist today, but Chinese-language middle schools' educational system has been involuntarily reformed or forced to become independent middle schools.

He added: "Before independence, mother-tongue education of the Chinese people developed up to Nanyang University, and through their own efforts at that, but Singapore has wiped out Chinese-language education all the way from primary schools to the unviersities."

Talking about the serious shortage of qualified teachers for Chinese primary schools, he said that on 20 March Education Minister Datuk Abdullah Badawi told Parliament that by February this year there was a shortage of 17,300 qualified teachers.

He then gave a list of shortages of qualified teachers for Chinese primary schools in the following years:

1974	3,188
1975	3,000
1976	1,600
1977	1,600
1978	1,346
1979	1,300
1980	1,603
1981	1,568
1982	617
1983	2,695
1984	2,600
1985	2,600
1986	2,600

Mr Loke pointed out that during the colonial period, teacher shortages were promptly replenished; at the same time, the authorities, in training teachers for Chinese schools, used the Chinese language as a medium for training and testing purposes. "This is truly worthy of the name of training teachers for Chinese schools," he remarked.

He continued saying that for many years in the recent past, the authorities have been using the Malay language as the medium for training and testing teachers, including teachers meant for Chinese-language schools. (The teachers are merely required to take one Chinese course as an addition.) "Is this the way to train teachers for Chinese schools or for Malay schools?" he concluded.

9300/13046
CSO: 4205/15

NEW ZEALAND

PRIME MINISTER'S REMARKS ON NUCLEAR SHIP SOLUTION HOPES

Auckland THE NEW ZEALAND HERALD in English 29 Apr 86 p 13

[Text]

NZPA **Wellington**

The Prime Minister, Mr Lange, believes that hope exists for New Zealand's ship visit impasse with Britain to be resolved by adopting a similar approach to an agreement entered into recently by Britain and China.

China has a policy of not allowing visits from foreign military vessels with nuclear weapons and Britain, like the United States, has a "neither confirm nor deny" nuclear declaration policy.

But despite these differences, Britain and China recently agreed to an impending visit of two British warships to Shanghai in July.

In Peking last month, the United Kingdom Minister of State for Defence Procurement, Mr Lamont, said the two countries understood each other's respective positions and the visit was going ahead.

Answering reporters' questions at his post-cabinet press conference yesterday, Mr Lange said he had studied the Chinese position during his recent visit to that country.

"It is a policy which is going to work because of the goodwill of those who allow it to work," Mr Lange said.

"You will observe that the United Kingdom has acknowledged the Chinese no-nuclear policy."

Mr Lange said the British Minister for Foreign Affairs, Baroness Janet Young, told the House of Lords on March 29 that the United Kingdom had no wish to bring nuclear weapons into New Zealand.

A glimmer of hope had arisen towards resolving the ship visit problem between Britain and New Zealand because of the British acceptance of the Chinese position. There were very clear parallels between the New Zealand and Chinese policies, Mr Lange said.

He acknowledged British concern that New Zealand's embargo on nuclear issues was to be enshrined in legislation.

Mr Lange was also questioned about the Labour Party's submission to the Defence Review Committee in Wellington last Thursday that said the Anzus alliance did not provide effective security for New Zealand, and its loss was not a matter for regret.

Mr Lange said the Labour Party submissions were not Government submissions. It would concern him deeply if the party and the Government ever sang in unison like a choir of eunuchs.

/9317
CSO: 4200/1028

NEW ZEALAND

LANGE DISCUSSES AID TO BEEF FARMERS HIT BY SLUMP

Auckland THE NEW ZEALAND HERALD in English 29 Apr 86 p 3

[Text]

The Reserve Bank is set to aid farmers hit by tumbling beef prices, but the Prime Minister, Mr Lange, yesterday ruled out the prospect of handouts or cheap funds from the bank.

Treasury and Ministry of Agriculture and Fisheries officials will meet Meat Board representatives this week to negotiate a funding formula.

Prices for manufacturing beef and prime beef will this week slump below the minimum set for the season.

The Meat Board, however, is required under the Meat Export Prices Act to supplement farmers' incomes when prices dip below the minimum level set by the Meat Export Prices Committee.

Negotiate

Mr Lange said that if the price for the two grades remained at their new low level, the Meat Board would pay out up to $1 million a week.

"We will certainly be willing to negotiate with the Meat Board the question of their acccess to funding," he said.

The Government has already indicated to the board that it would stop channelling Reserve Bank funds into topping up farmers' incomes through the meat income stabilisation account.

But Mr Lange indicated yesterday that the Government had little choice in the face of the price slump, saying the board was required by law to make supplementary payments and that "that law will be honoured."

On whether Reserve Bank credit would be available at lower-than-market rates, he said that was a matter which would be discussed.

Government sources said a likely rate was one a few percentage points below the Rural Bank indicator rate of 15 per cent.

A deterioration in the United States beef market, where the slaughtering of dairy stock has led to an over-supply of beef, has been the chief factor in tumbling prices in New Zealand.

But the Government will be loath to provide easy credit to the Meat Board for fear that the Americans might impose countervailing duties on our beef exports.

"Any suggestion in the United States that subsidised meat is coming and they will be up in arms," one source said.

Mr Lange alluded to that when he said the Government was certainly not prepared to make cheap money available for temporary sectional use.

"The fact is that that would constitute exactly the thing that the United States would be concerned about."

He said the Government and the Meat Board would be careful to see that any Reserve Bank funding could not be interpreted adversely overseas, particularly in the United States.

"And there is no question of any Government subsidy being available."

Any money made available by the Government would be at "an appropriate rate," he said. However, another option was for the Meat Board to procure funds from the private sector.

/9317
CSO: 4200/1028

OPPOSITION'S LIM KIT SIANG CRITICIZES SECRETS ACT AMENDMENTS

Denounces MCA Cabinet Members' Position

Selangor KIN KWOK DAILY NEWS in Chinese 24 Mar 86 p 2

[Text] Lim Kit Siang, leader of the opposition, denounced MCA officers, who hold cabinet portfolios under the heading of Datuk Dr Ling Liong Sik, for thoroughly supporting the Official Secrets Act amendments. He described the MCA backing as extremely irresponsible.

In a public statement issued today, Lim said that as late as 1972 MCA's Minister Ling Liong Sik was still asking the government to clarify the meaning of the word "secrets" in the said act. Yet today the minister agreed with the government to revise the law whereby offenders would be thrown into jail at least for 6 months, without official clarification of the term "secrets."

The cabinet, according to Lim Kit Siang, would in principle agree unanimously to drop a certain proposal if one member should oppose it. So why didn't Ling Liong Sik and other MCS cabinet officers oppose the bill to amend the Official Secrets Act?

In its regular Wednesday meeting, the cabinet should officially rescind the said bill and agree to the creation of a Neighborhood Commission to hear the public views on the "Official Secrets Act," so the entire problem can be amply discussed.

Mr Lim also called MCA cabinet members to account whether they would be prepared to ask the cabinet to revoke the amendment bill until the definition of the word "secrets" is clarified and to give limitations to the sensitive national defense and security secrets.

Sees Civil Liberties, Democracy Threat

Selangor KIN KWOK DAILY NEWS in Chinese 25 Mar 86 p 3

[Text] Lim Kit Siang, leader of the opposition, believes that the proposed 1986 Official Secrets Act amendments seriously threaten Malaysia's civil liberties and democracy.

He said: "The bill, if passed, will deal a direct blow to the constitutionally-guaranteed freedom of expression, transform newspapers into official gazettes, and turn political leaders into mere yes men."

Lim Kit Siang was speaking before a protest meeting organized by his party, the Democratic Action Party [DAP] last evening.

He said: "Not only newspaper publishers and associations should oppose this bill, but all Malaysians who love freedom and democracy should join hands to forestall this bill from becoming a law.

"All concerned individuals and parties should muster their efforts and urge their representatives in Parliament to oppose the Official Secrets Act, because the amendments could be transformed into a law in less than 2 weeks."

Mr Lim said that all members of Parliament, no matter to which party they belong, should be made to realize that this is a nonpartisan problem which affects the life and death of democracy.

Any MP who supports the secrets act amendments should be denounced, because he will be endangering democracy and he should not be reelected to represent his constituency in the next general election. Political parties should also realize that the proposal for the amendment bill represents a test whether or not they want to be given a mandate by the people in the coming general election, Lim Kit Siang concluded.

9300/10346
CSO: 4205/15

REPORTAGE FROM JAN-APR 86 NDF ORGAN LIBERATION

'Democratization' Through 12-Point Plan

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II, Nos 1, 2 pp 1, 3

["Message" by National Democratic Front sent to Liberation 2 Mar 86: "NDF: Defend People's Gains, Strive for Fuller Democracy"]

[Text] WITH THE FALL of Marcos, the National Democratic Front of the Philippines (NDF) has called on the Filipino people to pursue democratization as the immediate program in the new situation. At the same time, it has called on the people to defend their gains and persevere in the struggle to fulfill the 12-Point Program of the NDF to achieve national freedom and genuine democracy.

In a message sent to Liberation dated March 2, the NDF leadership also appealed to the international community to support the movement of Filipinos for democratization. It called on all anti-imperialist movements, parties, organizations and governments for increased support to the overall struggle for national democracy in the Philippines.

The NDF pointed out that while the Marcos dictatorship has been overthrown, the structures of repression are" firmly rooted and institutionalized." These structures have "yet to be dismantled," it said.

It noted that while there are forces in the new government advocating programs with democratic content, there are also anti-democratic elements in the governing coalition. More importantly, the message warned against continuing interference by the US which had been responsible for setting up, maintaining and prolonging the Marcos dictatorship.

Democratization for the NDF means defending and promoting the basic rights of the people, primarily the workers, peasants, the petty-bourgeoisie and the national minorities. It also means completely dismantling the fascist machinery and its laws. A key part of democratization too is genuine agrarian reform which includes, among others, the confiscation of lands of the Marcos clique and redistributing these to peasants.

Several people's organizations in the Philippines have already raised specific demands. Many are rallying to the NDF's call while others do so on their own initiative.

Among the demands that have been raised are an end to militarization, investigation of torture, extrajudicial killings, massacres and other atrocities; search for all missing persons; release of the remaining political detainees; repeal of repressive laws and decrees; and restoration of the right to strike.

The NDF 12-Point Program, while calling for democratization, also advocates a more fundamental and comprehensive change of semi-colonial and semi-feudal Philippine society. The January 1, 1985 draft of the NDF General Program states that its 12 Points are "valid and binding on all members of the united front for the entire course of the national democratic revolution and provide strategic guidance and direction for the implementation of the immediate tasks."

The General Program calls for the Filipino peoples' assertion of their national sovereignty against US imperialism. On the agrarian question, it calls for distributing land to the landless tillers equitably and at no cost. "The democratic right to life and property, the right to own the means of production and consumption, is among the most fundamental right of the people," explains one NDF leader. He noted that poor peasants comprise majority of the population, totaling about 60 percent.

Apart from upholding the free exercise of the people's basic democratic rights, the 12-Point Program calls for the establishment of a democratic coalition government and a democratic republic. Such a government shall have proper representation of workers, peasants, urban petty-bourgeoisie and national bourgeoisie, and shall promote the people's will and interests.

The 12 Points of the General Program of the NDF are as follows:

1. Unite the Filipino people to overthrow the tyrannical rule of US imperialism and the local reactionaries.
2. Wage a people's war to win total, nationwide victory.
3. Establish a democratic coalition government and a people's democratic republic.
4. Integrate the revolutionary armed forces into a single national revolutionary army.
5. Uphold and promote the free exercise of the people's basic democratic rights.
6. Terminate all unequal relations with the United States and other foreign entities.
7. Complete the process of genuine land reform, raise rural production through cooperation, and modernize agriculture.
8. Carry out national industrialization as the leading factor in economic development.
9. Guarantee the right to employment, raise the people's living standards, and expand social services the soonest after establishing democratic state power.
10. Promote a patriotic, scientific and popular culture and ensure free public education.
11. Respect and foster the self-determination of the Moro and Cordillera people and all ethnic minorities.
12. Adopt and practice a revolutionary, independent and peace-loving foreign policy.

Zumel Welcomes Ceasefire Talks

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 1, 3

[Article: "NDF Welcomes Talks for Ceasefire"]

[Text] ANTONIO ZUMEL, a spokesman of the National Democratic Front, which includes the Communist Party of the Philippines (CPP), the New People's Army (NPA) and other revolutionary organizations, said recently that the NDF welcomes a dialogue for a ceasefire between the NPA and the Armed Forces of the Philippines.

Speaking at a press conference north of Manila, Zumel gave no conditions for dialogue. In the same conference, an NDF statement dated March 21 was circulated.

The CPP and the NPA issued a separate statement, dated March 18. The NPA said that a ceasefire between the NPA and the AFP or even a political settlement with the Aquino government was possible if "substantial changes in the political, economic and military spheres favorable to the broad masses of the Filipino people" were undertaken by the new government

Zumel said President Aquino had made "no formal or informal approach yet" to the NDF for talks, although there had been press reports on government calls for the NPA guerrillas to "come down from the hills." He emphasized that the NDF wanted "to understand how Mrs. Aquino feels."

Denying reports of a "de facto ceasefire", Zumel said that AFP counterinsurgency operations continue to be launched in the countryside and the NPA and the masses will have to go on defending themselves against these assaults.

The former newsman said that the NPA will continue with operations against "fascist leaders, elements and units" who have committed bloody crimes and who "continue to assault the countryside." These, he said, include fanatic groups, private armies of notorious warlords, criminal elements in the paramilitary units, and notorious units and individuals of the AFP who "have gone on a rampage against the citizenry."

"The revolutionary movement stands for peace, but it must be a principled peace, not an artificial peace of the oppressor who holds a gun to the head of the oppressed," declared Zumel.

He explained in Pilipino, the national language: " One who takes hold of the rifle has deep and strong reasons to risk his very life. It will need equally strong reasons for him to lay down his rifle. And even if he has secured his welfare, he still needs to fight to defend this from enemies who want to grab this away from him."

The complete text of the March 21 statement of the NDF is as follows:

"In the wake of the Filipino people's ouster of the dictator Marcos, and in support of their legitimate aspiration for democratic peace, the National Democratic Front and its member organizations declare their readiness to dialogue with the government of Corazon Aquino on the subject of an eventual ceasefire between the New People's Army and the Armed Forces of the Philippines.

"For 17 years, the masses of the people have been waging a heroic struggle, armed and unarmed, to overthrow the rule of imperialism, feudalism and bureaucrat-capitalism in our country and to attain the full realization of their patriotic and democratic demands. They have committed their all, including their finest sons and daughters, to the revolutionary cause. Truly, the victory against the Marcos regime belongs to them.

"But while the ouster of Marcos is a major victory, so much remains to be done. The three main roots of the people's suffering and impoverishment still have to be removed. The struggle, therefore, must go on to attain the ultimate objectives of genuine independence and democracy.

"In calling for a dialogue with the Aquino government, the National Democratic Front hopes to reach mutual understanding and cooperation in harnessing the people's will -- demonstrated so powerfully in the ouster of the dictator -- toward the achievement of these goals. But the objective conditions at the present time do not permit the surrender of the people's right to bear arms in defense of their revolutionary gains in the past 17 years.

"Deeply rooted among the masses of our people, we are confident that their noble sacrifices, and the repose of their trust in us, shall not have been made in vain."

Human Rights Groups Form Alliance

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 1, 2

[Article: "HR Groups Unite for New Tasks"]

[Text] TWENTY-FIVE Philippine human rights groups have banded together to form the People's Alliance for Human Rights (PAHR), which was launched in Quezon City last March 10.

Included in the new alliance are the Task Force Detainees of the Philippines (TFDP), Kapatid, Selda (organizations of former detainees), Find (relatives of the disappeared), the Protestant Lawyers League, the Ecumenical Movement for Justice and Peace (EMJP), and the human rights desks of the National Council of Churches of the Philippines (NCCP) and the United Church of Christ in the Philippines (UCCP).

Lawyer Sam Matunog, the alliance's general secretary, noted that 596 political prisoners remain in jail, as only 219 of the 815 detainees had been released as of March 9, and called on President Aquino to implement her order to set free all political detainees.

Matunog said the alliance will give priority to investigating all human rights abuses during the Marcos regime and will campaign for the following:

-- amnesty for all political offenders, including those serving sentences;
-- locating the missing or disappeared;
-- arrest, prosecution and punishment of all human rights violators;
-- indemnification to all victims of human rights abuses;
-- repeal of all repressive laws and decrees;
-- rehabilitation of families dislocated due to hamletting or forced evacuations; and,
-- access to military records on arrests, detention, surveillance, "safe houses," detention centers and the like.

The alliance also deplored the military's continuing counterinsurgency campaign, which it said gives rise to human rights abuses. It called on the new government to repeal Marcos' letter of instruction launching "Katatagan" or the counterinsurgency program, and to institute genuine reform of the military.

Meanwhile, President Aquino has appointed a governmental commission to look into human rights abuses, including torture and summary executions. Well-known human rights advocate Jose Diokno is head of the commission, while BAYAN chairman Lorenzo Tanada acts as adviser. The People's Alliance for Human Rights has expressed its willingness to work with the commission, reports from Manila said.

NAFP Operations, 'Abuses' Reported

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 1, 7

[Article: "Prodded by US, AFP Steps Up Drive Vs. NPA"]

[Text] ENCOURAGED by the US government, the Armed Forces of the Philippines (AFP) under Defense Minister Juan Ponce Enrile and Chief of Staff Gen. Fidel Ramos have been escalating military operations against the New People's Army (NPA). As a result, human rights abuses are again on the rise, especially in the countryside, initial reports indicate.

AFP counterinsurgency operations have been launched in Northern Luzon, Central Luzon, Quezon Province, the Bicol region, Negros island and in parts of Mindanao, reports up to March said.

"Task Force Panther" of the AFP's 1st Scout Regiment used two helicopters to attack two villages in Maco town, Davao del Norte last March 1, according to Manila Times (March 9), a Philippine daily. Twenty-two bombs were dropped during the attack.

Two days before the bombing, 50 Scout Rangers strafed the house of Primitivo Lazaro as he and his family were having breakfast with two men whom the government soldiers suspected to be NPA guerrillas. Two of Lazaro's children, aged 7 and 9, and one of the two men, were killed in the hail of bullets. The following day, the frightened villagers evacuated the area. They said that the AFP soldiers threatened to burn down the village if the NPA retaliated.

Early morning of March 1, a 15-minute gun-battle erupted in a nearby village. Ten government soldiers were reported killed in the firefight. At about 4 p.m. that same day, the AFP's bombing operation began. The villages affected were described as a "no man's land" and about 134 families were displaced, the Manila Times reported.

The AFP's regional command "may have deliberately moved against filing a report on the incident" and documented only clashes between AFP troops and the NPA in the area, reported Malaya, another daily, based on information from unnamed military sources.

Strafing operations are also being carried out by the AFP in the Bicol region, the same paper said, quoting a report from the militant BAYAN federation. A battalion from the AFP's 2nd Infantry Division based in Camp Capinpin (in Rizal province) has been dispatched to the region, the paper reported.

A mission from a Dutch development

agency that visited the area also reported "widespread AFP operations" in Mindanao. In Claveria town, Misamis Oriental, hamletting has been going on in the village of Pelaez, Veritas, a Philippine weekly, reported. Hamletting, which was used extensively by the American military in Vietnam, is a base-denial operation involving the forced evacuation and reconcentration of villagers in heavily-guarded town centers.

Brig. Gen. Lorenzo Mateo, regional commander of Central Luzon, "ordered search and destroy missions" against the NPA in five of the regions's provinces, the American Washington Post (March 20) reported.

Military encounters between the AFP and NPA guerrillas have continued on Negros island, the International Herald Tribune (March 14) reported. The IHT article quoted the sister of one casualty as saying: "I thought everybody would be at peace after Cory Aquino won the elections. But apparently, the military here are not aware of what she desires."

In Northern Luzon, human rights organizations reported March 10 that at least 100 residents of three villages in Kalinga-Apayao province were forced to leave their homes due to hamletting by AFP troopers.

The escalating counterinsurgency operations have been sanctioned by top military authorities, and it is widely believed in Manila that these have been carried out by the AFP with the encouragement and support of the US government.

On March 4, only a week after Aquino came to power, Gen. Fidel Ramos was reported on Philippine television as saying: "Our policy on insurgency has not changed." Apart from this, which means that the Marcos regime's counterinsurgency policy will continue under the new AFP leadership, Ramos also insisted that "this time, we are going to use 'people power' against the insurgents."

Ramos further stated in an interview March 5 that he had been assured by US ambassador Philip Habib of increased aid from the Reagan administration, it was reported in Manila. Habib pledged more US training of AFP men and more combat equipment such as "jeeps, radios and other military hardware, including guns." Ramos said in the interview that these will immediately be distributed to the AFP's "front-line soldiers."

The Reagan administration has openly spelled out its priorities in the Philippines. "Counterinsurgency" and "economic recovery" are the top items in its agenda. For the current fiscal year, US aid to the Philippines is set at $240.9 million, including $54.7 million for military aid. For 1987, Reagan has asked the US Congress to approve $233.6 million, but with the military aid component doubled.

Defense Minister Enrile told the Far Eastern Economic Review March 13 that he will "abide by the suggestion (of President Aquino) to negotiate a period of ceasefire and see if we can work out the problem through persuasion." A week later, however, claiming that a "childhood friend" of his -- a mayor of a town in Cagayan province -- had been killed by communists, he called for stepped-up operations against the NPA.

Enrile later even publicly chided the Aquino government for handling the NPA with "kid gloves." The Enrile statement was quickly followed by an order from Ramos to further intensify counterinsurgency operations.

Editorial Statement

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 2

[Editorial: "Liberation"]

[Text] *Editorial Board.* Pecos de Castro, Recuerdo Ocampo, Oryang Katipunan, Isabela Ortega

The *National Democratic Front* is the framework or channel for the unity, cooperation and coordination of all national democratic forces in the Philippines. It traces its beginning to the establishment of the Preparatory Commission for the National Democratic Front on April 24, 1973. The 12-Point Program of the NDF upholds people's war to overthrow the tyrannical rule of US imperialism and the local reactionaries, and calls for the establishment of a Democratic Coalition Government and a People's Democratic Republic.

LIBERATION (Philippines) is the official international publication of the NDF. It is circulated in the various global regions through distribution outlets set up in coordination with or as designated by the LIBERATION staff.

LIBERATION welcomes all comments and suggestions on the content and form of the paper. Readers are also invited to send "Letters to the Editor". The staff likewise encourages the reprinting of articles or parts of the newspaper, with due acknowledgement, in other publications. Sending of copies of these publications to the staff is much appreciated. The staff reserves the right to print and edit letters to the editor and the right to authorize the translation or reprinting of an entire issue of LIBERATION.

Consistent U.S. Policy Hit

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 2, 7

[Commentary by Pecos de Castro: "US Policy in the Philippines is Consistent: To Protect American Military and Economic Interests"]

[Text] THE HISTORIC February Events have inevitably brought into focus United States policy in the Philippines during the Marcos years. In many American newspapers and media outlets, Washington's policies and diplomacy are depicted as showing an "extraordinary indulgence towards Marcos."

The American press makes it appear that the US tolerated Marcos because he was a reliable anti-communist ally and reputedly a good personal friend of the Reagans. Washington, therefore, merely closed its eyes to the regime's atrocious human rights record and to the corruption of Marcos, his relatives and close associates. Towards the last days of the dictatorship, however, and thanks to the international and American media, and to a handful of vigilant members of US Congress as well, even Reagan distanced himself and eventually pulled the plug on his old friend in Malacanang Palace.

A closer look at Washington's policy towards Marcos reveals, however, that its consistency from the Nixon Administration to the second term of Reagan has had less to do with communism or personal friendship than with the protection of US economic, political and military interests in the Philippines.

Just before Marcos imposed martial law in 1972, a strong anti-imperialist movement had spread throughout the country. US oil companies could not raise their prices even by a few centavos without being checked by general transport strikes. The colonial provision in the 1935 Philippine Constitution allowing 40 per cent equity in corporations exploiting national resources and operating public utilities, as well as the related Laurel-Langley Agreement defining preferential treatment for US capital in the Philippines, were about to expire.

To Washington, martial law in the Philippines meant the suppression of the nationalist movement, the prolongation and broadening of "parity rights," and the maintenance of the military bases. For Marcos, it meant an indefinite stay in office beyond the end of his second and final term of office, and the usurpation of all governmental powers to set up a full-blown dictatorship. The marriage of these interests was essentially what was expressed in Proclamation 1081, the martial law declaration.

It was Marcos who affixed his signature on the infamous proclamation. But the blueprint for it -- dubbed "Oplan Sagittarius" -- was prepared by the US country team in the Philippines, together with the top generals of the AFP and the office of Marcos. The members of the US country team were the US ambassador, the CIA station chief, the head of JUSMAG, and the directors of A.I.D. and U.S.I.A.

Filipinos woke up September 23,1972 to find no newspapers available except the Marcos-owned Daily Express. By then, thousands had been herded into jails, including opposition leader Benigno Aquino Jr. "Counter-insurgency" operations on a large-scale commenced in the provinces, followed soon by the government's genocidal war against the Moro people in the southern Philippines.

In the same way that the Reagan administration took a "neutral" position during the final months of the Marcos regime, the Nixon administration had a similar statement on the martial law declaration: "We are not going to go around telling the Philippines how to run its own affairs."

A statement by the American Chamber of Commerce in the US was less discreet. "The ACC wishes you (Marcos) every success in your endeavor to restore peace and order, business confidence, and well-being of the Filipino people and nation. We assure you of our confidence and cooperation in achieving these objectives. We are communicating the feelings of our associates and affiliates in the US".

While US investments poured in, US military advisers were sighted directing AFP operations in northern Luzon. US green beret reconnaissance teams were deployed under the cover of "civic action."

In February 1974, American Sabre jets, C-47 gunships and helicopter gunships were used in the pillage of Jolo, killing over 500 civilians and dislocating 35,000 residents.

From 1973 to 1976, official military aid of the US to the Marcos regime totaled 166.3 million dollars, a 100 percent jump from total aid in the previous four years.

The Carter administration then began criticising the human rights record of the Marcos regime. But while doing so, it assured Marcos of $500 million in military aid over five years, in exchange for a renegotiated treaty allowing unrestrained use by the US of its military bases in the country. After 18 months, the Carter administration ceased talking about "human rights in the Philippines" and US open support for the Marcos government resumed.

Reagan's coming to the US presidency was accompanied by the "lifting" of martial law. As part of this process of "normalization," a sham presidential election was held. In effect, all repressive orders, decrees and instructions illegally promulgated by Marcos during the previous years assumed a stamp of legality. It was at this time that US Vice President Bush told Marcos in Manila, "We love your adherence to democratic principles and democratic processes."

In September 1982, Marcos visited Reagan and the latter promised his visitor increased military aid. He later said the Philippines could boast of solid economic growth over the past decade. He cited the "improving standard of living" of Filipinos, and added that "great progress" had been made by the Marcos government in its "respect" for human rights.

At about the same time Reagan was praising Marcos concerning human rights, a large AFP military operation was underway in the Quezon-Bicol area in the southern part of Luzon island. "Operation Kadena de Amor," designed to be the prototype of future counterinsurgency drive, involved the area's saturation by the AFP troops, a system of checkpoints and outposts for controlling population movement, and "civic action" programs. Human rights organizations reported widespread plunder, arson, illegal arrests, manhandling and at least one massacre.

The counterinsurgency drive, however, failed to crush armed resistance in the targeted area. Following this operation, the AFP launched "Oplan Katatagan" the following year. This time the target area was Mindanao.

"Oplan Katatagan" was virtually a reproduction of the CIA-designed "Operation Phoenix" in Vietnam. The key thrust in this kind of operation is strategic hamletting: the forcible concentration of the population in military-designated hamlets so as to deprive armed guerillas of their base among the rural population.

At the peak of its implementation, hamletting affected over a million inhabitants in 11 Mindanao provinces. Like mass garrison camps, the hamlet centers were the scene of widespread despair, hunger, disease and death.

In the same year, the biggest joint war exercise of the AFP and the US military was undertaken. About 14,000 Filipino and American officers and men was involved in "Balikatan Tangent Flash." The war game apparently was a preparation for possible US invasion in the event that insurgency developed beyond the capacity of the AFP to control. The hypothetical situation was pictured in military documents thus: "Republic of the Philippines (is) faced with a direct armed challenge from a combined force of local insurgents and a Division minus size of troops from a foreign country...."

The assassination of Benigno Aquino Jr. in August 1983, while not the worst criminal act of the Marcos regime, was certainly its most naked use of state terrorism. But even in this case, the Reagan administration issued a statement implicitly clearing Marcos' military men of responsibility in the killing. Expressing full support for Marcos, the White House reiterated announcements that Reagan would go on with his November state visit to Manila.

Public outcry and massive protest actions eventually forced Reagan to cancel the visit. His administration then began distancing itself a bit from the Marcos regime. Nevertheless, the Reagan administration continued to express support for the Marcos government whenever it could. It helped the Marcos regime stage-manage parliamentary elections in 1984 to demonstrate that "democracy was alive" in the Philippines. In his reelection campaign, Reagan justified US support for the dictatorship by saying that the choice was between Marcos and the communists.

In 1985, Washington tried pressuring Marcos to remove Gen. Fabian Ver as chief of staff, but it had only token protest when the latter was "acquitted" of complicity in the Aquino assassination. This year, after Marcos moved to steal the February 7 election from Cory Aquino, Reagan suggested that fraud was coming from both sides and then asked for the two parties to reconcile and work together -- in effect, under Marcos' terms.

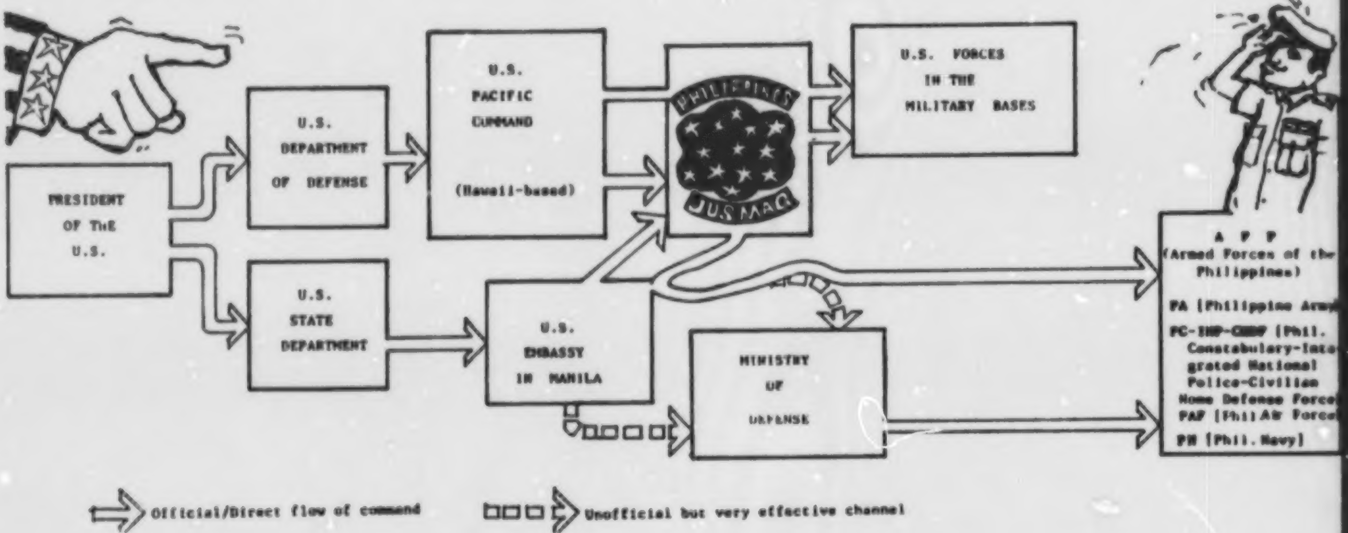
As the post-election situation unfolded, US government agencies, including the US Congress was not in complete agreement with the White House in the latter's continuing full support for Marcos. Differences became more prominent, especially as the isolation of the Marcos regime grew. On the whole however, there was consensus among the various agencies on Washington's policy towards the Marcos regime and its fascist rule. As late as 1985, a secret interagency report, the NSSD directive, called on the White House to rely on Marcos to institute "reforms" that will pave the way for a pro-US successor government. A more reliable indication that the US government was behind Marcos was that US aid continued to increase even after the Aquino assassination, reaching 180 million dollars in military and economic assistance for the year 1985.

History always has invaluable lessons for a people at the threshold of a new period. In this case, one lesson that stands out is that the architect and prime mover of fascist rule is more often not only a single tyrant.

ANG BAYAN Cartoon Alleges Command Flow

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 7

[Cartoon]


PRESIDENT OF THE U.S.
U.S. DEPARTMENT OF DEFENSE
U.S. PACIFIC COMMAND (Hawaii-based)
PHILIPPINES
JUSMAG
U.S. FORCES IN THE MILITARY BASES
U.S. STATE DEPARTMENT
U.S. EMBASSY IN MANILA
MINISTRY OF DEFENSE
A F P
(Armed Forces of the
Philippines)
PA [Philippine Arm
PC-INP-CHDF [Phil. Constabulary-Inte
grated National Police-Civilian Home Defense Force
PAF [Phil Air Force
PN [Phil. Navy]
Official/Direct flow of command
Unofficial but very effective channel

Aquino Government Analyzed

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 3, 4

[News Analysis: "Cory's Gov't: Liberalization Started, But Far Right Will Remain a Problem"]

[Text] PRESIDENT CORAZON AQUINO signed a proclamation March 25 adopting a provisional constitution with the declared aim of reorganizing the government, restoring democracy, protecting basic rights, eradicating corruption, restoring order and maintaining civilian supremacy over the military.

The proclamation was seen as a move to reduce the political influence, position and strength of the extreme right, one of the three sections in the ruling coalition. Apart from the extreme right, rightist conservatives and progressive liberals are in the Aquino government.

NDF international representative Luis Jalandoni, in an interview with BBC London, welcomed the move of Mrs. Aquino in so far as it will help her "dismantle the elements left by the Marcos dictatorship."

The nine-page document abolishes the legislature and enables President Aquino to control local governments and revamp the judiciary. All are controlled by extreme rightists belonging to Marcos' New Society Movement (KBL).

The ouster of Marcos has left the KBL and other power groups associated with Marcos divided and isolated. However, these have started to regroup, assist one another, bargain with the new government and even challenge Mrs. Aquino and her actions. A number in the National Assembly like Francisco Tatad have threatened to convene the Marcos legislature and proclaim the speaker of the body as president.

It remains unclear how the provisional constitution will affect the main extreme rightist group in government -- the US-backed Armed Forces of the Philippines (AFP) under Defense Minister Juan Ponce Enrile and Gen. Fidel Ramos.

The military, despite the ouster of Marcos and loyalist officers like Gen. Fabian Ver, has remained relatively intact. A big majority of the officers and units that have been responsible for systematic and widespread repression and human rights abuses during the Marcos years have remained in service.

President Aquino, however, has promised that "past abuses will be investigated and any officers and men guilty of crime or serious misconduct will be dealt with appropriately." She gave the promise in a speech at the Philippine Military Academy March 22 while calling on rebels to negotiate with her government.

The proclamation of a provisional constitution is attributed to progressive liberals in the new government. While occupying a minority position in the ruling coalition, these liberals are considered to have had the initiative in recent actions of the government.

This is confirmed by such moves of the Aquino government as the release of many political prisoners, the restoration of the writ of habeas corpuz and other actions towards liberalization.

Observers have cited several factors in explaining why the liberals currently have the initiative despite their minority position. These are: the strong influence of the democratic mass movement in the country; the continuing attention currently focused on the dismantling of the structures left by the Marcos dictatorship; the strong influence of the liberal electoral platform of the Unido-Laban alliance that supported Aquino; and the strong liberal positions that Mrs. Aquino herself is taking on many political and social questions.

Between the extreme rightists and the progressive liberals in the ruling coalition are the rightist conservatives. Included in this section are the United Nationalist Democratic Organization (Unido); elements of the conservative Catholic Church hierarchy; and a group of compradors belonging to the circle of the Makati Business Club (MBC) and Center for Research and Communications (CRC). The CRC is an economic research outfit servicing big business firms in the Philippines.

Within the government, economic policy has been delegated to the group of compradors in the MBC-CRC circle. The group is known to oppose "cronyism" of the Marcos years but also subscribes to the economic program dictated to the Philippines by the IMF-World Bank.

Laban, the political party of Mrs. Aquino, has a number of rightist conservatives. At the same time, there are many progressive liberals in it.

The combination of groups having varying and conflicting political persuasions makes the coalition an unstable one.

"The future," says a study group of the NDF, "depends to some extent on how Aquino herself will relate to the various forces in her government. At the same time, the people and their organizations have an important and active role to play to prevent the return of fascist rule and to continue thorough-going democratization."

"The democratic mass movement can support the positive positions of the government and the forces of the coalition behind such positions," says the NDF group. "The most important thing, however, is for the people to further develop their own independent strength and action."

With the abolition of the Marcos legislature and the pending reorganization of the judiciary and the local governments, governmental authority for now is concentrated in the hands of Mrs. Aquino and her cabinet.

The uneasy combination of progressive liberals, rightist conservatives and extreme rightists is markedly shown in the composition of the Aquino cabinet. Its members are:

°Prime Minister -- Vice President Salvador Laurel, concurrently also the Minister of Foreign Affairs. A Yale-trained lawyer, he comes from a politically powerful landlord and comprador clan of Batangas province. He was a member of the defunct Interim National Assembly, to which he was voted when he ran under the Marcos KBL banner. Known to have been tolerant of Marcos until the Aquino assassination in 1983, he heads the Unido party, the "dominant opposition party" in the February 7 elections and now an influential group within the new government.

° Defense -- Juan Ponce Enrile, who was also Marcos' defense minister for more than 15 years. One of the cabal that plotted and imposed martial law in 1972, he was also the martial law administrator during that period. A US-trained lawyer, he heads a law firm which specializes in servicing US-owned or controlled corporations and multinational firms. He is also a big landlord and comprador capitalist who enriched himself tremendously as a close "crony" and political associate of Marcos. He is known to control the United Coconut Planters' Bank (UCPB) and Unicom, the agency that administers the copra trading monopoly. He reportedly commands the allegiance of the "reformers" among the officers and men of the armed forces and is known to be close to US civilian and military leaders. Together with General Fidel Ramos, he represents the powerful rightist AFP faction in the new government.

° Finance -- Jaime Ongpin, brother of Marcos' long-time trade and industry minister, Roberto. A Harvard-trained business executive, he heads the huge US-controlled Benguet Mining Corporation. He represents big business and is also known to be close to the conservative wing of the Roman Catholic hierarchy.

° Trade and Industry -- Jose Concepcion Jr., a big businessman whose family owns Republic Flour Mills, producers of a wide variety of food products. He is president of the National Citizens Movement for Free Elections (Namfrel), which acted as "watchdog" and made its own vote count in the February 7 elections. Besides representing the interests of big business, he is also active in an ultra-conservative lay organization of the Roman Catholic Church.

° Education -- Lourdes Quisumbing, who holds a PhD in Education and is president of the American-oriented Maryknoll College Foundation. This is her first time in government service.

° Local Governments and Community Development -- Aquilino Pimentel Jr., chairman of the social democratic-oriented Pilipino Democratic Party (PDP). A former mayor of Cagayan de Oro City in Mindanao and a member of the recently abolished National Assembly, he was thrice imprisoned by Marcos.

° Agriculture -- Ramon Mitra Jr., another officer of the PDP. A former senator and member of the National Assembly, he was imprisoned at the start of martial law in 1972. He is a big-time cattle rancher; also a big landlord and comprador-capitalist. It is public knowledge that he is pro-US and close to one of Marcos' most notorious cronies, Eduardo Cojuangco Jr. (the President's cousin).

° Commission on Good Government -- Jovito Salonga, a former senator and president of the Liberal Party wing that sided with Aquino when the latter declared her candidacy. He is a Protestant lay minister, Yale-educated and one of the most respected of the old guard of traditional politicians. He has taken many progressive positions on the democratic and anti-imperialist demands of the people, despite having spent most of the martial law years in exile in the US.

° Natural Resources -- Ernesto Maceda, a former executive secretary of Marcos and member of the Unido party. He spent most of the martial law years in the US where he joined the opposition and became close to Benigno Aquino Jr., the President's assassinated husband. He is known to have close links with the US and, even after he transferred to the opposition, to have maintained links with the Marcos family.

° Justice -- Neptali Gonzales, a former law dean and representative in the old Congress shut down by martial law. He was deputy minority floor leader in the National Assembly. He helped Benigno Aquino Jr. found Laban party in 1978 and was in the slate of opposition candidates that ran against the KBL party in Metro Manila in elections for the Interim National Assembly. He is seen by many as a nationalist, and has been close to the cause-oriented people's organizations.

° Public Works and Highways -- Rogaciano Mercado, a former congressman representing Bulacan in the old Congress. He was a member of the National Assembly and is head of *Dambana*, an anti-US bases organization in Central Luzon. Known as a consistent nationalist since way back, he was among the leaders of the Movement for the Advancement of Nationalism (MAN) in the second half of the 60s.

° Executive Secretary -- Joker Arroyo, a prominent human rights lawyer who has been active in defending the rights of political prisoners, workers and student demonstrators. Known as a staunch nationalist, he is a founding member of the militant lawyers' group *Mabini*.

° Presidential Spokesman -- Rene Saguisag, also a founding member of Mabini. A former law professor in his alma mater in Manila, he later trained in Harvard and has been Aquino's spokesman since the start of the campaign period of the last elections. He came to prominence in the martial law years for his human rights advocacy, especially his defense of political detainees' rights. Considered a nationalist, he is a member of the PDP but maintains close links with the Salonga Liberals and the people's organizations.

° Labor -- Augusto Sanchez, a well-known human rights lawyer who represented the largely working-class town of Pasig in the defunct National Assembly. Also a founding member of Mabini, he is known as a militant nationalist who has close ties with the progressive organizations of labor, students, teachers and other professionals.

° Commission on Government Reorganization -- Luis Villafuerte, who was for a brief period Marcos' trade minister. He is a big landlord in the Bicol region of Luzon island. After leaving the Marcos cabinet and the KBL party in 1984, he was elected to the National Assembly in his home province, Camarines Sur. He is a member of Unido and is generally looked at with distrust because he crossed over to the opposition at a late date.

° Tourism -- Jose Antonio Gonzales, a businessman who controls Mondragon Industries, an industrial and marketing conglomerate. He has been close to the Aquino family and is a trustee of the Benigno Aquino Foundation. He heads Malaya Films, which produced the controversial film *Bayan Ko*.

° Public Information -- Teodoro Locsin Jr., son of the editor of *Philippine Free Press*, a well known magazine shut down by martial law. A former aide to Enrique Zobel, a pro-Marcos businessman, he joined the staff of Aquino at the start of the presidential campaign.

° Central Bank -- Jose Fernandez, who held the same post during the Marcos dictatorship. Aquino retained him as CB governor upon the request of current Finance Minister Ongpin. Fernandez has the reputation of following to the letter the dictates of the IMF-World Bank and has close ties with the many foreign banks that have extended loans to the Philippines. He is a KBL member.

° Political Affairs -- Antonio Cuenco, a businessman who comes from a wealthy and politically influential family of Cebu province.

° Budget -- Alberto Romulo, a member of the defunct National Assembly and of the Unido party. A certified public accountant and a holder of a doctorate in law, he has been active in the movement opposing the nuclear power plant project of the Marcos regime in Bataan.

° Minister of Social Services and Development -- Mita Pardo de Tavera, a doctor of medicine from the University of the Philippines. She is chairperson of AKAP, an organization specializing in community-based health programs and was formerly the chairperson of Gabriela, a progressive alliance of women's organizations.

At President Aquino's first press conference she was asked why her cabinet was composed entirely of members from the elite and had no representatives from the masses of workers and peasants, who had borne the brunt of oppression and the sacrifices of the struggle against the Marcos dictatorship.

Her answer was an appeal for patience since she had just assumed office.

NDF Version of 'People Power'

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 4, 5

[Commentary by Pepe Ysip Buendia: "The February Uprising and 'People's Power'"; illustrated with photographs of demonstrators waving leftist banners and slogans]

[Text] BARELY two months after the toppling of the 20-year-old Marcos regime, "people's power" --or "people power," as the new President prefers to call it -- has become a household word in the Philippines. President Aquino often refers to it; columnists and commentators keep writing about it; Cardinal Jaime Sin has sung paeans to it; even Defense Minister Enrile and Chief of Staff Gen. Ramos, only several months ago hated by a lot of people, now insist that they are upholders of it.

It would be fruitful at this point to look more closely at some salient points about "people's power," how it came about and what role it played in the February events.

In the first place, it was not the mutiny of Enrile and Ramos that brought down the Marcos dictatorship. Their dramatic defection to the opposition was more precisely a consequence, a grave symptom, of the already extremely isolated and rapidly disintegrating Marcos ruling clique. Even the final abandonment by US President Reagan was already the result of the perception that Marcos' position had become totally untenable, and therefore he had to be dumped quickly, lest his inevitable fall endanger the long-term military and economic interests of the US in the Philippines. It was indeed people's power -- or more precisely the people's uprising in Metro Manila and several other key cities -- that directly and primarily toppled the already tottering dictatorship.

President Aquino was merely telling the simple truth when she said at her first press conference: "I owe my victory entirely to the people." As everyone knows, Enrile, Ramos and their several hundred poorly armed men could easily have been wiped out in the first few hours had not thousands of people immediately poured into the streets to block the advancing tanks, artillery and soldiers of Marcos and Ver.

And this timely action of the insurgent people in the streets -- literally a direct popular intervention to shape the course of events at a historic nodal point -- did not occur only at the approaches to Camps Crame and Aquinaldo. The people, in their hundreds of thousands, swarmed into the streets in many places in Metro Manila and in other cities to set up barricades or bodily stop and completely paralyze the dictator's forces. A reliable estimate says that at the height of the action there were at least 50,000 people around and inside Camp Crame, and that, in the course of the four-day uprising, a total of five million participated in various forms of street actions all over the archipelago.

The great majority of the insurgent

people were unorganized; they came out spontaneously to defend Enrile and Ramos because this was the best way at that specific moment that they could say that they wanted Marcos out once and for all, that they had had enough -- the fraud and terrorism unleashed by Marcos in the February 7 elections was the last straw. Cory Aquino was their rallying figure. It must be noted, however, that among these millions, and to a certain extent giving them guidance and direction, were the men and women of the cause-oriented organizations, the veteran demonstrators of the sectoral and multi-sectoral groups: the Bagong Alyansang Makabayan (Bayan or New Patriotic Federation), Kilusang Mayo Uno (KMU or May First Movement), League of Filipino Students (LFS), the August Twenty-One Movement (ATOM) and Bansang Nagkakaisa sa Diwa at Layunin (Bandila). The important roles of Cory Aquino and Cardinal Sin, both of whom made firm public calls to their supporters and the faithful to go to Camp Crame, were also crucial for the mass mobilization that made the uprising a success.

Whence "people's power" and how did it gather sufficient force to oust the dictator in February ?

To answer this fully, it must be realized that the entrance of "people's power" as a decisive force into the stage of history and the dramatic removal from this stage of the dictatorship, both constitute the culminating point of a long process, a process of struggle between the people and the oppressive regime. Just like Rome, "people's power" was not built in a day.

Since before the imposition of martial law and the establishment of the Marcos dictatorship in 1972, the national-democratic revolutionary movement had played the leading role in mobilizing and organizing the people to oppose the regime. The revolutionary movement's advance, and the effects of this -- the armed struggle in the countryside and the political struggle in the urban areas, the work in the underground as well as in the open sphere of struggle -- opened the eyes of the people to the nature and policies of the fascist regime. The intensification of fascist rule and its lengthening record of human rights abuses, and the rapid growth of the popular opposition led by the revolutionary forces (especially the Communist Party of the Philippines, the New People's Army and the National Democratic Front or NDF) further caused the irreversible isolation and weakening of the dictatorship.

With the assassination of Benigno Aquino in 1983, tens of thousands from the formerly quiescent middle class,and including anti-fascist circles of the elite, joined the basic masses and the urban petty bourgeoisie in unprecedentedly huge and frequent demonstrations calling for the dismantling of the dictatorship. This great anti-dictatorship mass movement -- earlier called "the parliament of the streets" -- found organizational expression in cause-oriented groups, alliances and assemblies like Justice for Aquino, Justice for All (JAJA), Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), August Twenty-One Movement (ATOM), Coalition of Organizations for the Restoration of Democracy (CORD), the Kongreso ng Mamamayang Pilipino (KOMPIL or Filipino People's Congress), Bayan, and Bandila. Older sectoral organizations like LFS and KMU, were already active before the assassination and gained new impetus since then.

The escalating demonstrations and other mass actions mounted by these organizations progressively drew the unorganized but already anti-fascist people into the streets in ever increasing numbers. This accumulated people's force was what finally erupted in the successful February Uprising.

Put another way, the February Uprising was made possible by the fact that the Filipino people had already learned how to confront the armed might of the fascist state through previous mass confrontations and "dress rehearsals" -- from the First Quarter Storm of 1970 to the various Welgang Bayan or people's strikes, to the "Tarlac to Tarmac" protest action and the numerous massive demonstrations at Mendiola Bridge, Plaza Bonifacio, Plaza Miranda, the US embassy, and at the Welcome Rotonda in Quezon City.

The February Uprising is a historic event that signifies a great qualitative development in the political consciousness of the Filipino people. Because of it, the people have gained new confidence in their collective strength to defend and promote their basic rights until full democratization is attained, and to oppose and defeat any form of oppressive rule that would suppress these fundamental rights.

Not a few among the elite have started saying in Manila that "people's power" has done its job, Marcos is gone, and "people's power" is no more because there is no more need for it. Nothing is farther from the truth. The work of "people's power" has in a sense only just begun -- but now on a different, higher stage of the people's struggle. The Filipino people still have to continue building and exercising their power to get rid of US imperialism, feudalism and bureaucrat-capitalism to attain national sovereignty and genuine democracy.

Marcos Ouster Hailed

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 4

[Statement issued 27 Feb 86 by the National Democratic Front through its news agency BMP: "NDF Hails Ouster of F.M."]

[Text] THE NATIONAL Democratic Front immediately hailed the ouster of the dictator Ferdinand Marcos as a "significant victory in the Filipino people's ongoing struggle for genuine democracy and national independence."

In a statement issued through its news agency, BMP, two days after the dictator's flight, the NDF lauded the people's heroism and militant assertion of "people power," saying that this played the pivotal role in ridding Philippine society of a most corrupt, criminal and subservient dictator.

The NDF, however, urged the people not to let down their guard in defending the gains won over so many years of struggle. It warned against moves of "midnight or eleventh-hour defectors" from the Marcos regime.

"These significant sections of the Marcos faction who instantly defected to flee a sinking ship pose a major threat to these gains," the NDF said.

The revolutionary united front organization added that "even now, US imperialism is devising new ways to see to it that it retains its dominant position in Philippine political and economic life, a dominance that allows it to retain US strategic military and other interests in the country."

"The US' thoroughly hypocritical role of riding on the crest of the popular repudiation of Marcos while protecting the interests of the Marcos family and its principal cronies culminated in its allowing the dictator to escape the just anger of the Filipino people," the NDF noted.

"Secretary George Schultz of the US State Department could not have put it better when he said that, 'on the balance, Mr. Marcos was a constructive force and a reliable ally,'" it added.

The NDF urged the new government of President Corazon Aquino to resolutely carry out the task of thoroughly dismantling the structures of repressive rule and to achieve genuine national unity based on justice, thorough-going democracy and genuine patriotism.

"The new government should not allow itself to be entrapped within the military, constitutional and legal machinery laid out by the previous regime over 20 years of legalized terrorism. As long as the new government continues to take decisive measures to assert national sovereignty and to advance the interests of the broad masses, it will certainly enjoy the people's warm support," the NDF said.

The NDF, in conclusion, called on the Filipino people to "remain vigilant in preserving the gains of the anti-fascist struggle." It called on them to "broaden the field for all forms of democratic and revolutionary struggles until the fundamental questions of US imperialist domination, genuine land reform and the thorough dismantling of all structures of fascist rule are decisively resolved in favor of the broad masses of the Filipino people."

'Official' Responds to PCF Interview

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 6

['Excerpts' of reply by Miguel Santiago, identified as an "NDF official", to a set of interview questions sent by L'HUMANITE DIMANCHE, A weekly publication of the French Communist Party, in early March, 1986: "NDF's View: The Fall of Marcos a Big Victory in the Struggle for Democracy, Independence"]

[Text] "Until the last minute the US strove to maintain the dictator even after the Enrile-Ramos group had pulled its coup. The US is known to have encouraged Enrile to strike a bargain with Marcos to allow him to serve out his unexpired term... (until) 1987."

On the fall of the Marcos Dictatorship

We view the toppling of this dictatorship as a positive and significant victory in the Filipino people's continuing struggle to achieve national independence and democracy. By saying this, we are also saying that the struggle is by no means completed. We still have the fundamental problems that have historically confronted our people. More specifically, the problem of foreign, particularly US, domination; the problem of feudal and semi-feudal relations, especially in our countrysides, that have kept us agriculturally backward and prevented the majority of our people from maintaining even the most basic rudiments of life; and last but not least, the problem of a state machinery that has been operated and dominated by the interests of the wealthy few against the oppressed and deprived majority.

However, the events of the past few weeks showed the Filipino people at their best. Filipino people from all walks of life went out into the streets to militantly struggle against the awesome forces of the dictatorship and its military machinery. We could say in retrospect, that the ouster of the Marcos dictatorship resulted immediately from a combination of a popular uprising and a military coup. The military aspect was led by Defense Minister Juan Ponce Enrile and now AFP Chief of Staff Gen. Fidel Ramos.

With the ouster of the Marcos dictatorship, the Filipino people through long years of arduous struggle have succeeded in ridding themselves of the worst regime in the country's post-war history.

On the role of the US

As far as the US is concerned, it has always followed the policy of maintaining that regime which it finds best for its own so-called "permanent interests," which include their substantial economic and financial investments in the country as well as the strategic US military bases in Clark, Subic and elsewhere. It did, in fact, mastermind the formal imposition of martial rule in 1972. And for at least eight - nine years after 1972, it gave the Marcos dictatorship blanket authority, in total disregard of even the most elementary question of human rights. You are perhaps aware of the sordid record of human rights violations that the regime has perpetrated over the past decade or more. We blame the US for this equally, for propping up such a regime.

In 1983, however, in August, when senator Benigno Aquino was assassinated, the frustrations of the Filipino people broke out in massive demonstrations, in massive outpourings not only of sympathy for the widow of the late senator, but also in massive indignation against 15 years of open terrorist rule. At this time, the US began to backtrack and had to weigh whether the Marcos government was becoming more of an asset or more of a liability. However, until the last minute the US strove to maintain the dictator even after the Enrile-Ramos group had pulled their coup d'etat. The US government is known to have encouraged Enrile to strike a bargain with the Marcos government to allow him to serve the unexpired portion of his term, which would have ended in 1987, even as a mere figurehead. It was the US that principally figured in trying to prevent a frontal clash between the Ramos-Enrile forces camped in Forts Aguinaldo and Crame, on one hand, and the Marcos loyalist forces, on the other. They estimated that a frontal confrontation would only have benefitted the revolutionary forces.

In the meantime, they had tried through Ambassador Philip Habib, to persuade Mrs. Cory Aquino, despite her overwhelming mandate in the special election of February 7, to back down in favor of Marcos. We are all aware of Reagan's statements to this effect. Whether or not President Reagan was expressing a personal opinion is not the issue. Its immediate reaction was actually a reflection of the US policy framework -- up to the last minute when they were practically forced to tell the dictator that he had to finally backdown.

Overall, therefore, the US was playing both sides against the middle. It was trying to ride on the crest of popular indignation against a rotten regime; while at the same time, doing all it could to prevent the entire system from collapsing. Also, to protect the interests of the Marcos family, it was the US's policy of trying to help the Marcos family that prevented the latter's arrest by the forces of the people which had been massed around Malacanang as early as the afternoon of Tuesday, February 25.

It appears then that the US had again fallen into the tragic trap of believing in the power and the organization of a dictator that it had supported for so long.

On Mrs. Aquino's call for national reconciliation

While we agree with the general concept of national reconcilaliation, we cannot agree to a national reconciliation without justice. In fact, we demand and we have made it clear to the Aquino government that we are for the thorough dismantling of the structures of dictatorial rule that had been set up over more than a decade of open terrorism.

We can say, therefore, that this would be our minimum program: the question of justice to victims of political repression; the question of indemnification to victims of political and economic oppression and exploitation; the expropriation of all of Marcos' properties; the freezing of assets and the demand that the US, as well as other governments in which these assets are harbored, restore the same to the Filipino people; the disbandment of para-military forces including the disintegration of the very military machine which had stood as a prop and instrument of the fascist dictatorship for so long. We would like to have a firm commitment on the present government's stand on the question of national sovereignty as embodied in the military bases agreement. We would also like to see the initial stages of a resolute program of land reform.

As you perhaps know, even our minimum program as a national democratic front does not demand the redistribution of land. Our minimum program calls for the reduction of land rent and the abolition of usury. We would like to see the Aquino government take a line that would resolutely resolve these immediate problems. Last but not least, we would like to see a firm position vis-a-vis the huge loans, some 30 billion dollars, that the previous government had accumulated and which has mortgaged generations of our countrymen to the international monopoly banks, in particular, the World Bank and the International Monetary Fund.

These are not only questions of a program. These are basic issues of justice -- economic, political and social justice. And the Aquino government will have to trek a very tortuous road, considering the composition of that government. As I said earlier, we would be willing to provide our support for these basic demands.

In contrast to these demands, the Aquino government faces a number of limitations. Not the least of which is the resistance that is being put up by well-entrenched comprador landlords, as well as military interests under the auspices of the US government. We have, for example, a finance minister whose name is Jimmy Ongpin, whose only assessment of the previous regime was that it was economically mismanaged and was openly opting for the IMF-WB solution of more debts; who has opted for the development of exports as the main means and as the main engine for economic recovery. Our program states a wholely different concept. We call for a concept of national industrialization, of the nationalization of strategic industries, following closely upon the seizure of political power by the broad masses of the people.

Hence, while we are encouraged by the Aquino government's commitment to human rights and the specific measures that it has undertaken to release all political prisoners, we cannot have any illusions about its long-term capability to resolve the fundamental problems our people are facing.

On armed struggle and possibilities of a ceasefire

In this connection (relating to the question of national reconciliation), therefore, we would like to clarify that the question of armed struggle and the question of the people's war, which we have been advocating, is tied up with the question of a political program we have advanced. Over the next few months and years, we shall strive to broaden the space for both democratic and revolutionary struggles until the fundamental questions of foreign domination, the question of land, and the question of thoroughly dismantling the fascist structures are decisively resolved in favor of the great majority of our people and not only for the privileged few, even as these latter did substantially contribute to the ouster of the fascist dictatorship.

First of all, the National Democratic Front is certainly open to the possibilities of a cease-fire. However, it is our position that at least three considerations should be put forward prior to any serious discussions on the matter. First would be the matter of timing; the second, the question of political circumstances; and third, of course, the matter of the agenda.

Should the time come, due to the fact that the two main forces (the liberals on one hand and the right and extreme right on the other hand in the ruling coalition) are still in a process of consolidating their own positions, we have to know if we will be negotiating, if at all, with a government that is capable of enforcing whatever it agrees to. For example, can we be sure that if we entered into an agreement with the Aquino government, the other side, (the rightist sections in the ruling coalition) would not put road blocks in the way of fulfilling such negotiated terms ?

The history of the Philippine revolutionary movement since the colonial period under Spain, has been rife with examples of negotiations that failed. We are not about to barter away or to gamble the long and arduous struggle that the Filipino people have waged in the interest of national freedom and democracy, on the mere promise that the current government, backed as it is by the US, will be able to live up to its promises.

Within the larger context, we believe that the burden of proving that it is truly popular, truly representative and truly democratic, falls on the current government. As stated earlier, however, we are willing to provide our own measure of support to those activities that we feel correspond to the fundamental interests of the Filipino people.

'Distrust' Survives AFP Revamp

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 pp 8, 7

[Commentary: "Aquino Intends to Revamp AFP; But People's Distrust and Its Counterinsurgency Role Go on"]

[Text] A REVAMP of the Armed Forces of the Philippines (AFP) has apparently been underway in the past several weeks. Despite the announced changes, however, many Filipinos view the AFP as an army that will continue to be corrupt, abusive, and a threat to the civilian population.

"Those soldiers appear polite and well-behaved today," says a store owner. "But for how long?"

"Distrust of the military is deep among the population," explains an activist Catholic parish priest."Even before Marcos made the AFP a private army of his own, corruption and abuse have been rampant. It is because the AFP has always been a mercenary army." He added, "It's actually the private army of Uncle Sam."

Among the changes announced by Defense Minister Juan Ponce Enrile and newly-installed Chief of Staff Gen. Fidel Ramos was the immediate retirement of 23 "overstaying generals",the dismantling of the notorious National Intelligence and Security Authority (NISA) and the Marcos Presidential Security Command, and a possible reorganization involving the regional unified commands set up by former Chief of Staff Gen. Fabian Ver.

However, these announced "reforms" have not removed the lingering strong distrust of the AFP among the people, an attitude which is the product of bitter experience over many years.

The entire post-world war record of the AFP has mainly been counterinsurgency. In 1946-48, under the administration of President Manuel Roxas, the military was used to strengthen landlord power in the provinces. It was publicly condemned for perpetrating several well-publicized massacres of civilians, mostly poor farmers.

Under the Quirino government in 1948 to 1953, combat battalions of the AFP were used to suppress the Huk rebellion and contain the simmering Muslim armed struggle in the Sulu archipelago. In 1954, it was reported that US military officers went as far down as the company level in the AFP to frustrate Quirino's plans for electoral fraud and terrorism, thus ensuring the presidential victory of Ramon Magsaysay. President-elect Magsaysay, known as "America's fair-haired boy"," then used the AFP to complete the "mopping up operations" against the Huk insurgents.

At the end of the Macapagal government until just before the martial law declaration by Marcos, military and police forces were used to attack large demonstrations that marked the rise of the nationalist movement (the First Quarter Storm) at the start of the 70's. Scores were killed and thousands were maimed in those attacks.

Under the US-Marcos dictatorship, the AFP was responsible for countless massacres, killings, Vietnam-style hamletting against large rural communities, genocide, and other atrocities.

The AFP was an American creation. Its roots go back to 1901 when the Americans, after crushing the First Philippine Republic, set up the Philippine Constabulary. The PC had an officer corps of Americans commanding Filipino constables.

The US retained strategic control over the AFP even after it granted nominal independence to the Philippines in 1946. Under the US-RP military assistance agreement of 1947 (renewed indefinitely in 1953), the US initiated and led the reorganization, arming, training and indoctrination of the AFP. This was carried out through setting up of a permanent body of US advisers, the Joint United States Military Advisory Group (JUSMAG) in the Philippines.

So pervasive is US control over the AFP that it is often considered a replica of the US military in terms of organization, command and combat style. Almost all its weapons are US-supplied. Almost all its commissioned officers receive some form of military training from the US military.

Between 1950 to 1975, about 15,245 Filipino military men were trained under the International Military Training Program in the US and in the Philippines.

US funding and encouragement enabled the Marcos regime to expand the AFP. From 60,000 in 1972, the regular armed forces ballconed to over 280,000, not including the 65,000-strong Integrated National Police, the barangay (village) brigades and para-military troops, the citizens army reserve, and various inteligence agencies.

Ramos' Rights Record Rapped

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 2

[Article: "Chief of Staff Gen Ramos: Fascist in His Old Post"; article illustrated by photo of Escalanta victims]

[Text] A LOT OF PEOPLE in the Philippines and abroad who are concerned with human rights are understandably apprehensive about the appointment of Gen. Fidel Ramos to the post of chief of staff of the Armed Forces of the Philippines, the country's highest military office. For while his positive role in the mutiny he led with Enrile on February 22 is widely recognized, he still has a lot to answer for his long and blood-stained record as one of the top officers of the Marcos dictatorship.

A cousin of the fallen dictator and and a West Point graduate, Ramos rose swiftly up the ranks during the Marcos years. No financial anomalies or rackets have been linked to his name, and he gained a reputation of being "clean" in a military establishment famous for its corruption and generals who became instant millionaires.

However, his reputation in the field of human rights is an entirely different matter. He was for many years under Marcos the chief of the Philippine Constabulary (PC), one of the country's four major services -- and, arguably, the AFP service with the worst record of human rights abuses. As PC chief, he also heads the notorious Integrated National Police (INP), which together with provincial PC units generally organized and led the paramilitary Civilian Home Defense Forces (CHDF) in the rural areas. As copious published accounts and documents of independent fact-finding missions (including those by Amnesty International and the International Commission of Jurists) show, this PC-INP-CHDF combine was responsible for literally countless abuses and atrocities against Filipinos, including arbitrary arrests and searches, kidnappings, murder, extra-judicial killings, arson, rape, forced mass evacuations and massacres.

The latest and most publicized of this long list of crimes Ramos must answer for was the Escalante (Negros Occidental) massacre of September 20 last year. In this incident, PC-INP-CHDF personnel opened fired with armalites and machineguns on 5,000 peaceful demonstrators, mostly poor farmers and displaced sugar industry workers. The casualty toll: 27 killed, and many more injured, a few of the latter maimed for life. And the answer of General Ramos (he was then acting chief of staff) at the time: his men were merely "acting in self-defense."

Ramos' appointment has also obviously elicited joy in Washington. His West Point credentials make him a "good American boy" ; on top of this, he served combat duty alongside US troops in Korea in the 50s and in Vietnam in the 60s. It came as no surprise, therefore, that he was the first in the Aquino government to announce increased US military aid for a more vigorous drive against the NPA guerrillas and the Filipinos in towns and villages who support them.--

MALAYA Report on AFP Abuses Reprinted

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 8

[Article reprinted from ANG PAHAYAGANG MALAYA, 26 Mar 86: "Terror Has Not Left Negros, Boy Killed, 13 Houses Razed"; article illustrated by TFID photograph--"Grief of Negros Mother and Daughter; 'Our Situation Is Still the Same'"]

[Text] BACOLOD CITY (Negros Occidental) -- "Everybody get down from there!" a Tagalog-speaking soldier shouted at the top of his voice that early morning of March 9 in remote sitio (neighborhood) Pamuypoy in barangay (village) Buenavista,Himamaylan town, Negros. The local folks, mostly farmers, were then preparing to leave for their farms. The children were playing in the yard, while a group of young men were playing basketball in a makeshift court.

Tension knifed through the air as the barrio folks spied a large group of heavily-armed men in fatigue, especially when the fierce-looking soldiers started to interrogate the farm folks about the whereabouts and activities of the New People's Army (NPA) in the area. Fearful of the soldiers, one of the young men playing basketball, Sanny Tabanyag, only 16, stealthily started to walk away, hoping he could go unnoticed. Unfortunately, some of the soldiers saw him and as quietly followed him to the house of one, Consorcia de la Cruz. The soldiers surrounded the house, and one with a booming voice ordered everybody to go down from the house.

Attracted by what the soldiers were doing, the residents started to gather in front of Consorcia's house. Noticing the crowd, one soldier mockingly told those gathered around: "Whom are you banking on in this place, Cory? Your Cory? Probably many of you here are NPAs, including the teachers!" The soldiers became more incensed upon seeing the slogan "Long Live the NPA!" painted on the wall of the barrio school house.

The soldiers then continued with their patrol, bringing the hapless Sanny along with them. After walking for about 200 meters, shots rang out, snuffing out the life of young Sanny, who was later found dead with a bullet wound on the left side of his neck and his throat slashed.

Sanny's mother brought his body to barangay Suay to have it blessed by parish priest Fr. Wilfredo Dejilla.

"I thought there would be peace after we had installed a new President. But our situation here is still the same. We feel anxiety and uncertainty every time the military conducts an operation," said Sanny's mother.

About a week before young Sanny was killed, Bacolod Bishop Antonio Y. Fortich, a staunch advocate of human rights, paid a pastoral visit to sitio Pamuypoy. During his homily he announced the joyous news and hopefulness springing from the formation of a new government and the installation of a new President. He said: "We are now a free people of God who need no longer be afraid of the military as they have now become our brothers." Among those who received the sacraments was Sanny Tabanyag.

The words of Bishop Fortich were still fresh in the minds of the residents when five days later, early morning of March 8, a company of fully armed soldiers reportedly from the 7th Infantry Battalion arrived in nearby sitio Cadi-East and at gunpoint started questioning the people about the activities of the NPAs.

They mauled people and stole poultry, but this was little compared to the murder of young Sanny Tabanyag.

The harassment of the whole sitio and the killing of Sanny was seen by observers here as the latest in a series of serious human rights violations which would put Himamaylan town into focus as the scene of large-scale abuses by the AFP. Residents in several barangays said most of the abusive soldiers belong to two army combat battalions, the 332nd Philippine Constabulary company, the Civilian Home Defense Force (CHDF) and the local police.

The series of incidents started several weeks earlier even before an NPA ambush claimed the lives of five PC soldiers and one policeman, and the wounding of three others.

The ambush took place in Barangay Carabalan, a hinterland village of Himamaylan which could be reached after a hike of three hours.

After the ambush, soldiers intensified their so-called search and destroy operations which reached a peak with the burning of 13 houses and culminated in the killing of Sanny Tabanyag.

Anniversary Celebration

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 1

[Editorial Report] The front page of the Jan-Apr 86 issue of the National Democratic Front's official organ, LIBERATION, features a photograph of two men, apparently identified as guerrillas, sitting on a park bench. The man on the left, bearded and bearfoot, is strumming a guitar while the young man next to him appears to be writing something. An M-16 rifle is shown resting between them. The caption reads: "March 29, the NPA's 17th anniversary: Guerrillas singing of independence and democracy to come -- maybe also of peace?"

KMU in International Union Meet

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 2

[Text] THE MOVEMENT for genuine trade unionism in the Philippines has gained more recognition and support with the holding of an international conference in London last February 8, 1986. Participating national trade unions and trade union confederations from nine countries pledged to increase support to the struggle of Filipino workers.

The "Conference on Trade Union Repression and Struggle in the Philippines" was organized by the Philippines Support Group Trade Union Committee of London in cooperation with the May 1st Movement, popularly known as the KMU (Kilusang Mayo Uno). KMU is the largest trade union center in the Philippines.

The Philippine Support Group (UK) announced that there were 105 participants. Among the trade unions and trade union confederations present were the Communications Union and IDATU of Ireland; CGIL and FLM of Italy; CFDT of France; the Greek Confederation of Labor, the National Federation of Public Servants of Norway; SAC of Sweden, the Graphic Communications International Union (branch) of the USA, and the Hotel Hospital Workers Union of New Zealand. From Britain, the National Union of Journalists, the National Union of Public Employees, the Confederation of Health Service Employees and SOGAT '82 attended.

The conference adopted several resolutions. The main points dealt with working for the abolition of anti-labor laws in the Philippines and ending repression against trade unions; calling for release of detained labour leaders and workers; campaigning for recognition of the KMU as the genuine trade union center of the Philippine working class; giving equal attention to the struggle of Filipino women workers; and mobilizing specific forms of solidarity support.

Catholic Nun, Bayan's Bautista at UN

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 2

[Text] ROMAN CATHOLIC nun Sr. Mariani Dimaranan, chairperson of Task Force Detainees of the Philippines (TFDP), and lawyer J. Virgilio Bautista, national council member of the progressive BAYAN federation, hailed the downfall of the Marcos dictatorship and condemned its awful record of human rights violations at the 42nd session of the UN Commission on Human Rights, held in Geneva, February 3 to March 14.

"The downfall of Mr. Ferdinand Marcos and the ascension to power of Mrs. Corazon Aquino is an achievement of the entire Filipino people, made possible by people's power, by the courage and sacrifice of millions in my country," the chairperson of the Philippines' leading human rights organization told the delegates and observers at the session last March 4.

She cautioned, however, that the joy and euphoria of Filipinos and their friends abroad should not make them "forget the thousands of victims of the 20-year old regime, with its cruel military and security machinery which ruthlessly trampled on the aspirations of the people."

As an immediate step to further record and remedy the abuses of the overthrown dictatorship, Sr. Mariani called on the new Philippine government to invite to the Philippines at the earliest opportunity the UN Commission's special rapporteur on torture, the special rapporteur on summary and arbitrary executions, and the working group on enforced or arbitrary disappearances.

BAYAN official Bautista, on the other hand, noted that "a good number of military officials closely associated with the Marcos regime, including high-level authorities like Defense Minister Enrile and Deputy Chief of Staff General Ramos, continue to hold key positions in the new government."

Bautista also denounced the complicity of the US government in the previous regime's awful human rights record and warned that the "contemplated increase of military aid" by the US will only mean more Filipino casualties.

Women's Rally 8 Mar 86

(Clandestine) LIBERATION in English Jan-Apr 86 Vol II Nos 1, 2 p 2

[Text] ABOUT 4,000 women gathered for a rally-celebration to mark March 8 -- International Women's Day -- at Rizal Park, Manila's main park by the bay.

Seventy-two delegates from 12 foreign countries joined their Filipino sisters in the international rally organized by GABRIELA (General Assembly Binding Women for Reforms, Integrity, Equality, Leadership and Action) and SAMAKANA (Association of Patriotic Women).

Filipino women and their organizations took the occasion to demonstrate their growing participation in the progressive mass movement and reaffirm their unity with women the world over in the struggle against all forms of oppression and menace -- against racism, colonialism, foreign intervention, state violence and repression, the nuclear arms race and exploitation of women.

Filipina speakers stressed the need to continue the fight for true freedom while advancing the Filipino women's particular struggle for emancipation. They also called for vigilance against the resurgence of fascist elements remaining in the new government, persons who had been responsible for the oppression and victimization of women through various forms of abuse, including sexual abuse.

Delegates from overseas, on the other hand, expressed their solidarity in struggle with their sisters and with the Filipino people.

Maita Gomez of GABRIELA cautioned against complacency in the face of the government's call for a ceasefire and described recent military attacks on villages in two Philippine provinces.

/12851
CSO: 4200/1013

PHILIPPINES

BISHOP, OTHERS VIEW CONTINUING POVERTY, LAND REFORM NEGLECT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 21 Apr 86 p 3

[Article by Erhard Haubold: "Demonstrations in Front of Malacanang Palace Again--Disappointment in Manila"]

[Text] Manila, 20 April--People are demonstrating in front of Malacanang Palace again--no longer against Marcos and not (yet) against Corazon Aquino. A few thousand poor people with sweatbands reading "People Power" are disappointed about the fact that this People Power has not done anything for them. They are asking to be given title at long last to the tiny plots of land they have been living on in the slums for years. They want to be protected against the demolition squads and their bulldozers. Wouldn't it have been impressive, we asked the president, for her reform administration to send a courageous signal by turning over (at least for the time being) to the poor and homeless the huge parcels of land along Ortigas Avenue in Manila which had been discovered to be part of Marcos'holdings? Corazon Aquino says no; that is not the way governments work. She wants to stay within the law and has therefore appointed a commission to look into the matter to start with.

She has a very similar response to questions about the more than 100,000 unemployed plantation workers on Negros and their hungry children. The governor of the province has informed her, she tells us, that only a few of the "sugar barons" have allowed the workers to plant sweet potatoes and other vegetables on the unused farmland or between the rows of sugar cane. "Our coffers are empty," Mrs Aquino tells us a number of times. "We are simply unable to finance the reforms." Marcos, she says, has left a ruined economy behind--and that is probably true. The foreign debt has grown from $600 million in 1965 to $26 billion today. "Please give me time and have patience," she pleaded recently at one of the populist-style TV round-tables she proposes to hold at regular intervals. Still, one would like to see more drive and daring in the face of the great need. At this time, per capita income in the Philippines is the lowest in all of Southeast Asia; the country has even slipped behind Indonesia. Between 70 and 80 percent of the population do not earn enough to provide themselves with sufficient food. The legal minimum wage in Manila--which many do not earn--is DM 7 per day; and it is about half that much in the countryside.

"The ideology of absolute private property" will not solve the Negros poverty problem, says Antonio Fortich, the bishop of Bacolod, the provincial capital; but the 16,000 hectares of sugar plantations already mortgaged to the banks, administered by the government on a trusteeship basis and temporarily leased to the poor would suffice to overcome the worst of the hunger. One's views on protecting private property may be different but one would have to ask nonetheless why President Aquino is not putting her great popularity to better use. Thus far, she has not even appointed a minister to take charge of the much-needed land reform. Is this due to the fact [Fortich asked] that she comes from a big landowning family; that she saw her first slum during the election campaign and that she has never lived on the land for any length of time ? Is it her elitist education and her inclination toward making lonely decisions ? Half of the traditional 100-day honeymoon is now over and the population is growing impatient and wants to see some action. 60 percent of the labor force appears to be either out of work or underemployed. The public health situation is far worse than was admitted during the final years of the Marcos regime. And 1986, too, might turn out to be a "lost year" with no economic growth, following a decline in the GNP in 1984 and 1985 by 15 percent (adjusted for population growth).

"We Cannot Keep on Celebrating Forever"

"We cannot keep on celebrating forever," the MANILA TIMES, a newspaper quite friendly to the new regime, wrote recently. The paper went on to criticize the almost exclusive preoccupation with the "remnants of the Marcos dictatorship," the task of coping with the most recent past and the disclosure of the "gigantic theft" perpetrated by the deposed president and his "cousins." While this serves to provide political legitimacy, there still is a visible lack of economic and social programs. This contributes to a "policy deficiency" just as much as the differences of opinion within the power coalition which spans an unusually wide spectrum--from social democratic or socialist-oriented human rights lawyers on the far left to the military on the far right.

In the meantime, the opposition is taking advantage of the vacuum at the top to consolidate and to engineer a comeback. The left-leaning groups--first and foremost among them the communist leaders released from prison in keeping with an Aquino campaign promise--are acting as though they were entitled to negotiate with the government on an equal basis and are vociferously trying to obscure the fact that they campaigned for a boycott of the elections last February, misinterpreting the intentions of the population entirely, and are now hard put to explain the People Power phenomenon.

The demoralized Marcos supporters also seem to be getting back on their feet. More than 90 members of parliament belonging to the KBL, the former ruling party, who have been out of a job since the new government dissolved the national assembly, met for a "rebel session" last weekend and issued an appeal for civil disobedience against President Aquino. "Marcos forever" and "down with Aquino" shouted the almost 15,000 people who had assembled in Manila's Rizal Park. All the talk about the "return of the eagle" (i.e. Marcos) may just be a pipe dream--but his supporters still appear to have dangerous amounts of money and quantities of weapons at their disposal.

A high-ranking American diplomat has said that it is immensely refreshing to be able to negotiate with someone at the top in Manila who does not lie to you. Corazon Aquino's integrity is beyond all doubt; in almost every respect she is the exact opposite of her predecessor Marcos. But in the long run this will scarcely suffice to assure the stability of the Manila government. This is all the more true, as Randy David, a political scientist at the University of the Philippines says, because People Power is not organized and is thus lacking in permanence and stability. Added to this is the concern voiced by many of her supporters that Corazon Aquino will not "see it through;" that she is not interested in political power but only in fulfilling a "historic mission"--to chase the dictator and her husband's killer out of the country.

What are her chances for survival, some people are asking, in a country with a tradition of political assassination--a woman who has a tendency toward fatalism and who wishes to get by with a minimum of security ? Will she be able in the long run to shed her past and to remain reform-oriented, idealistic and liberal ? In an interview with this newspaper Mrs Aquino said that she was one of the most reluctant candidates in the world. "But now I have the post and I have an obligation to the Filipino people. And when I have made up my mind to do something, I also fight for it. If I was courageous enough to campaign against Marcos, then I will also be able to defend myself against my remaining political opponents."

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CSO: 4620/33

BANGKOK VIEWS UN VOTE ON LIBYAN RAID, U.S. FARM ACT

BK071214 Bangkok Doemstic Service in Thai 0530 GMT 7 May 86

[Article: "A Test for the Great Friend"]

[Text] Dear listeners, the people who never want to accept the mistakes they have made always prefer to exploit our Thai value of judging right and wrong by seniority. Such people are often humiliated wherever they go. For example, if such a person--an adult--breaks a glass or spittoon, he will not admit that he is careless. On the contrary, he will blame other people for misplacing the object. However, if a boy or girl makes the same mistake, he or she will never dare to blame other people. The adults might even criticize him or her for being so clumsy. Regardless of the real cause of the accident, such irresponsible persons will never admit that they have made a mistake even if ther is clear evidence to prove it. Moreover, they will look for someone else to blame. This sort of thing is common in Thai society. The Thai often regard it as a small matter, but when it involves national interests, we cannot accept it. As a developing country with very few natural resources and limited technology, Thailand is probably regarded as a small child when compared to the major powers.

In a recent case, some people said that they were very disappointed with Thailand, their long-time and trustworthy friend, for voting to condemn the air attacks [on Libya]. They mentioned the gratitude Thailand owed to them for this past assistance and stressed that they would not forget the incident despite the generally accepted fact that settling problems through violent military action is incorrect. Moreover, all countries have a common desire for peace.

But when Thailand protested the promulgation of the Farm Act that was aimed at helping a small group of their farmers and that has caused suffering to more than 35 million Thai farmers, they simply pay no attention to our complaint. It is obvious that they are behaving like the adult in the story mentioned above. In this case, they also refuse to admit their mistake and are shamelessly ready to push the blame on a small country like Thailand.

Dear listeners, we understand that, like other countries, the United States is striving for its survival in the pressure of world affairs. As a proverb

DAILIES COMMENT ON PARLIAMENT'S DISSOLUTION

BK041112 [Editorial Report] Four Thai vernacular papers--NAEO NA, MATICHON, THAI RAT, and SIAM RAT--on 3 May carry editorials and comment on the defeat of a decree in parliament that resulted in the government dissolving parliament on 1 May.

NAEO NA, in a page 4 editorial entitled "One Vote Each," assails government party MP's who defied their respective party's instruction by voting against the decree. The editorial says: "We must remember the 38 Social Action Party, 2 Democrat, and 2 Prachakon Thai Party MP's who reportedly accepted cash and voted against the decree, causing its defeat. They are political prostitutes and their action has undermined the democratic system and prestige of the parliamentary institution." The editorial condluees that "one way to strengthen the democratic system is to eliminate bad MP's by not electing them again. People can pass the word to their friends about these MP's. Their votes will be the tool for the elimination; there is no need to wait for a knight on a white horse to do it for them."

An unsigned commentary on page 3 of NAEO NA, citing an unidentified government intelligence source, says the MP's voted against the decree because they felt that Prime Minister General Premwould choose to resign rather than to dissolve parliament. "The MP's were convinced by rumors that there was pressure on Gen Prem not to dissolve parliament and that there was pressure from the military establishment, and they were confident that the United States would not side with Gen Prem as the result of Thailand voting against it in the UN Security Council."

A NAEO NA column by Nui Bangkhunthian on page 16, criticizes government party MP's who voted against the decree, saying: "These MP's betrayed their profession and undermined democracy and should be ousted from the political arena." It adds that "the government did the right thing to dissolve parliament. There is no use in keeping these parasites to the detriment of the parliament institution."

THAI RAT's Mangkon Ha Lep column on page 3 urges people not to be frightened by the dissolution of parliament, saying "It is a normal occurrence in a democratic system. Parliaments dissolution is really the resignation of government which will become effective in about 3 months." It concludes that people should not waste the opportunity to elect their candidates on 27 July.

says: A friend in need is a friend indeed. Today we have come to realize that the United States is ready to do anything for its own interests regardless the adverse consequences to other countries, including its long-time friend. We have now discovered how sincere the major power is in its effort to restore pace in the world. We all know that if we continue to place our own gains above those of the majority, peace is still remote.

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CSO: 4207/224

Another THAI RAT column, by Plieo Singoen on page 3, says "dissolution of parliament is really not a defeat for the government; it is the MP's who are the losers because Gen Prem did not fall into a trap of resigning, which would have enabled the opposition to become the government. The column thinks that the dissolution could inadvertently affect the post of army commander because if Gen Athit wants to run in the 27 July election he must first resign from the military. "This will vacate the army commander post and Athit's deputy, Gen Uthai Saengthawip, could be elevated to army commander, posing an obstacle for Gen Chawalit Yongchaiyut's rise to the post, even though Gen Uthai will reach retirement a few days later." If Athit runs for election, he will be competing with Gen Prem for the post of prime minister, the column says. In short, the Social Action Party was exploited in this situation.

A page 6 MATICHON editorial, entitled "Lesson From Parliament Dissolution," says the prime minister's decision to dissolve parliament was not based just on the defeat of the decree, but also on the behavior of MP's of a major government party who "are selfish and seek to put their interests before the nation's and people's interests." It says that although these MP's expressed joy at their successful defeat of the decree, a "thorough analysis will show that the real victors are the opposition parties and groups seeking to create political confusion. The real victim is not Gen Prem, but the political party that elderly members claim to have formed with their own hands." The editorial concluded that in the next election people should chose their candidates judiciously and "punish those who have committed crimes against democracy."

A MATICHON "analysis" on page 3 says there had been moves by "officials who are disappointed by their government careers and some exporters" to inflict defeat on the government in parliament, thus forcing Gen Prem to resign. "The real victors are the Chat Thai Party and government officials who already lost power and the interests it generated," says the analysis. It continues that the real loser is the Social Action Party, whose "prestige has been shattered; and party has been splintered so badly that its chance in the coming election is very slim." On Gen Prem's future, it says "whether or not Gen Prem becomes the next prime minister depends on his willingness to accept the post, the success of the Democrat Party in the next election, and on the Chat Thai Party's still recognizing his importance. An interesting question is: If Gen Prem is not the next prime minister, which general will it be?"

A page 3 SIAM RAT editorial entitled "Dissolution of Parliament--An Ordinary Matter," says "Originally, the Prem government came into existence to compromise conflicts among various groups; it was not formed to tackle the country's problems." It says the problem was that the prime minister listened too much to his advisers and did not treat coalition parties equally. The government's efforts to solve problems did not complete required cycles and lacked coordination and support. "These are what made coalition parties feel uneasy, which worsened to become political problems leading eventually to the dissolution of parliament." In concluding, the editorial says: "We want to emphasize that the current change in the political situation is nothing to be scared of. It serves to loosen up political knots in accordance with democratic principles. People will have the final say in the end."

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CSO: 4207/224

EDITORIAL URGES PREM TO RUN IN ELECTION

BK081018 Bangkok MATICHON in Thai 8 May 86 p 6

[Editorial: "Prime Minister Prem and the General Election"]

[Text] Suggestions that General Prem Tinsulanon run in the upcoming general election can be heard more distinctly everywhere, not just from the mouth of the "senile" aged 75 of Soi Suan Phlu [reference to former prime minister Khukrit Pramot] as well as from his allies in the Democrat Party. Although such a proposal carried satiric tones in some cases, the majority of the people do indeed want Gen Prem Tinsulanon to remain as premier.

Gen Prem Tinsulanon's premiership, which has lasted since 1980, is constitutional. He has been enjoying strong support of political parties and the armed forces, since he once served as "supreme commander" and is concurrently serving as defense minister. However, the parliamentary crisis, political pressure, and the duplicity on part of some parties in the coalition forced him to dissolve the house. This should serve as a valuable lesson for Gen Prem. He can never forget this event.

What is the lesson? Gen Prem can learn from the lesson that since he has not been directly elected by the people and has no political party of his own, he must depend on different political parties and power groups, which he can never have full confidence in. As an experienced soldier, he should realize that he cannot win the game if he cannot fully control them.

During the past 6 years of his premiership, Gen Prem Tinsulanon has clearly proved that there are more people who love than hate him. His prominent characteristic is his devotion to the country, people, and the monarchy. He is a man who likes to honor his words with deeds. More important is that his loyalty to the monarchy has become an incentive for him to try to upgrade the livelihood of the majority of the population in the rural areas.

With such an honorable background, he should not be afraid to present himself to the people in the general election.

The democratic system is based on the people and elections. Through elections the people demonstrate their common desire. Gen Prem Tinsulanon, or any government official who is sincerely resolved to participate in the development of democracy, should not stand idle or act just as an observer. He should dare to come out and bravely play the game so that nobody can call him a political opportunist.

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CSO: 4207/224

Somali President Supports Idea

BK080514 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 7 May 86

/Text/ His Excellency Mohamed Siad Barre, president of the Somali Democratic Republic, recently received DK ambassador in Sopheap in Mogadishu. After presenting his credentials to His Excellency Mohamed Siad Barre, ambassador in Sopheap spoke about our Cambodian people's struggle against the Vietnamese aggressors. His Excllency Mohamed Siad Barre confirmed Somalia's support for our Cambodian people's just struggle and wished our people success in their struggle. The president also extended sincere fraternal salutations to the Samdech president of Democratic Kampuchea.

His Excellency Abdurahman Jama Barre, foreign minister of the Somali Democratic Republic, also received and had a cordial conversation with ambassador in Sopheap. On that occasion, the Somali foreign minister voiced support for the CGDK's eight-point proposal for the settlement of the Cambodian problem. He said that Somalia has examined this proposal and supports it.

VODK on Lee Kuan Yew Support

BK060255 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 5 May 86

/Text/ On 26 April, His Excellency Lee Kuan Yew, prime minister of the Republic of Singapore, sent a message to the Samdech president of Democratic Kampuchea in reply to the Samdech's message calling for support to the CGDK's eight-point peace proposal. The following is text of this message:

Samdech:

I would like to thank you for your explanation on the eight-point proposal of the CGDK dated 17 March 1986. Singapore will continue to point out in the international arena the urgency of a comprehensive settlement of the Cambodian problem. Singapore will also continue to work closely with the other ASEAN countries and the CGDK in order to maintain the overwhelming support of the UN resolutions concerning the situation in Cambodia at the coming 41st UN General Assembly.

I wish you good health and success in your persistent effort for the liberation of Cambodia from foreign occupation.

With highest regards.

/12228
CSO: 4212/75

THIOUN THIOEUNN LEADS CGDK GROUP FOR WHO CONFERENCE

BK060333 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 May 86

/Text/ On 3 May, His Excellency Thiounn Thioeunn, minister attached to the Coordinating Committee for Public Health and Social Affairs, led a CGDK delegation to attend the 39th WHO conference to be held in Geneva from 5 to 16 May.

Cambodia has been a member of WHO since 17 May 1950, and our CGDK has actively taken part in the activities of this international organization. Before the Vietnamese invasion, our Democratic Kampuchean Government paid attention to our people' health and strived hard to eradicate malaria and other diseases in our fatherland. Since their invasion and occupation of our country in 1979, the Vietnamese enemies have not given any care to our people's health. On the contrary, they have massacred our people through all means, using conventional weapons, biochemical weapons, and famine in an attempt to exterminate our Cambodian race. Particularly, during the past few years, they have tried to massacre our people by sending tens of thousands of them to the malaria-infested western border area to do hard labor and clear mine fields without enough food and medicine, thus causing hundreds and even thousands of them to die every day.

With the aim of making the year 2000 a year of health for all, despite the fact that our country is suffering from the Vietnamese war of aggression, Democratic Kampuchea, which lacks everything, has made every effort to train more cadres and combatants in charge of public health and social affairs in order to provide medical care and treatment for our people.

/12228
CSO: 4212/75

BRIEFS

BURMESE FOREIGN MINISTER'S VISIT--Burmese Foreign Minister U Ye Gaung and his party comprising U Thein Han, director general of the Political Department; U Hla Oo, personal secretary to the foreign minister; and U Thaung Tun, assistant director of the Burmese Foreign Ministry, arrived here this morning to visit Thailand from 7 to 10 May as guests of the Foreign Ministry. This is the first visit to Thailand of U Ye Gaung since he was appointed foreign minister of Burma in November of last year. The visit will constitute an important contribution to strengthening and promoting relations between Thailand and Burma. This afternoon, the Burmese foreign minister called on Deputy caretake Prime Minister and Foreign Minister Air Chief Marshal Sitthi Sawetsila and discussed with him issues relating to bilateral relations between the two countries. Later, his majesty the king graciously granted an audience with the Burmese foreign minister at Chitlada Palace. The Burmese will call tomorrow on Princess Sirithon and caretaker Prime Minister General Prem Tinsulanon. [Text] [Bangkok Voice of Free Asia in Thai 1030 GMT 7 May 86 BK] /6662

STATEMENT ON CAMBODIAN SITUATION--[Statement to unidentified reporter by Captain Sumit Chunmanut, representative of the Chanthaburi-Trat Border Defense Force, on situation along Thai-Cambodian Border--recorded, date and place not given]--The Vietnamese-Heng Samrin forces opposite the areas under the responsibility of the Chanthaburi-Trat Border Defense Force regularly received food and weapons supplies and reinforcements from the rear zone as they are carrying out their combat operations and assignment of sealing the Thai-Cambodian border under the K-5 plan. We have detected patrol planes taking aerial photographs of areas near the Thai border more frequently. The fighting between the Khieu Samphan nationalist force and the Vietnamese-Heng Samrin soldiers continues as the former, in trying to penetrate deeper inside Cambodia and ambush Vietnamese troops, have inflicted heavy casualties on the Vietnamese side. In areas opposite Pong Nam Ron District of Chanthaburi Province, the Vietnamese-Heng Samrin and the Khieu Samphan nationalist forces clash with each other regularly, particularly in the vicinity of Phnum Saravan, Bar Ya Kha, and Bar Tang Su, and nearby mountainous areas suitable for protracted guerrilla warfare. The Vietnamese and nationalist forces are trying their utmost to control these areas. [End recording] [Text] [Bangkok Domestic Service in Thai 1300 GMT 3 May 86 BK] /6662

CSO: 4207/224

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

REPORTAGE ON SUPPORT FOR CGDK PROPOSAL

Khieu Samphan Urges Support

BK060258 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 5 May 86

/Text/ During a reception held in his honor in Nairobi on 2 May by Kenyan Assistant Minister for Foreign Affairs Ochola Mak'anyengo, DK Vice President for Foreign Affairs Khieu Samphan called on international community to support the CGDK's eight-point peace proposal for a political settlement of the Cambodian problem. He said that the eight-point proposal offers a quite reasonable, comprehensive, and generous solution to the Cambodian problem but has been rejected by the Vietnamese authorities. We offer to the Vietnamese aggressors the possibility to withdraw in honor from Cambodia, not at once, but in two phases, in a specific time frame. We are prepared to sign a nonaggression treaty with Vietnam for many generations to come. As for the Heng Samrin group installed in Phnom Penh by Vietnamese forces, we allow them to form with us a quadripartite coalition government in order to achieve national reconciliation and to prepare the general elections in Cambodia under UN supervision.

Vice President Khieu Samphan also denounced Vietnam for persisting in its aggressive policies against Cambodia. He said: by rejecting outright this peace plan, Vietnam has not yet given up its plan to set up an Indochinese Federation and its will to impose the fait accompli in Cambodia on to the world. The Cambodian people have been fighting not only for their country's independence but also for the preservation of their national identity and civilization.

In his speech, Mak'anyengo said Kenya believes in the principle that all people in the world have the right to self-determination and to oppose foreign occupation, and that Kenya supports Cambodia in seeking a political solution.

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SRV TANK POSITION NEAR PHNOM PENH ATTACKED

BK060006 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 5 May 86

/Battle report from various battlefields/

/Excerpt/ Northwest Phnom Penh battlefield: At midnight on 29 April, our national army launched a two-pronged commando attack against the Vietnamese tank position located at Thnal Totoeng township 23 km west of Pochentong Airport. The first prong attacked the Thnal Totoeng township and the second prong attacked the tank position in the two. After 30 minutes of fighting, we totally smashed and controlled these two targets. As a result:

1. We killed 20 Vietnamese enemy, including 3 tank unit commanders, and wounded 25 others. We destroyed 4 tanks, 4 82-mm guns, 34 AK's, 5 pistols, 4 12.8-mm guns, 10 barrels of diesel oil, and some war materiel.

2. We seized 8 AK's, 2 pistols, 20 rolls of cloth, and some war materiel.

Kompong Thom battlefield: At 0230 on the night of 30 April, our national army launched a four-pronged attack against Kompong Thma township. The first prong attacked a Vietnamese platoon position at Chi Van monastery; the second prong attacked the Vietnamese company position at Kompong Thma monastery; the third prong attacked the Vietnamese platoon position at the head of Kompong Thma bridge; and the fourth prong attacked the Vietnamese administrations of Kompong Thma commune located at Kompong Thma township. After 30 minutes of fighting, we totally smashed and liberated these four targets. We liberated eight villages, namely L'ak, Khvek, Khnao, Tuol Sangke, (Phlu), (Khlu), Pou Rong, and (Long). We killed 31 Vietnamese enemy, including a battalion commander and 2 company commanders, and wounded 38 others. We destroyed 1 80-mm mortar, 1 60-mm mortar, 1 12.7-mm gun, 2 machineguns, 3 RPD's, 2 B-40;s, 30 AK's, 2 C-25 field radios, 2 depots containing assorted ammunition and mines which exploded and burned throughout the night, 2 war materiel depots, 1 medicine storehouse, 1 paddy warehouse storing 60 sacks of paddy plundered from the people for use in feeding the Vietnamese soldiers, 1 commune office building, 2 oil storage tanks containing 20,000 liters of diesel oil, and some war materiel. We seized 13 's, 1 B-40, 1 drum-magazine machinegune, 3 crates of ak ammunition, 20 B-40's, 1 drum-magazine machinegun, 3 crates of AK ammunition, 20 B-40 rockets, 30 B-41 rockets, 5 hand grenades, 2 world maps, and some war materiel.

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CSO: 4212/75

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

SODK: SRV LEADERS ADMIT SERIOUS ECONOMIC-SOCIAL CRISES

BK070327 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 6 May 86

/"News Commentary": "The Hanoi Vietnamese Leaders Have Admitted That Vietnam Is Facing Serious Economic and Social Crises"/

/Text/ Speaking at the 30 April meeting marking international Labor Day, To Huu, vice chairman of the Vietnamese Council of State, revealed that Vietnam is facing serious economic and social crises. To Huu confessed that the production of industrial goods has dropped alarmingly and the quality of goods is not good. Prices of goods are fluctuating and the Vietnamese currency has depreciated rapidly. All of this has greatly affected the livelihood of the Vietnamese people. To Huu admitted that the Vietnamese Government is responsible for these crises and said that the Vietnamese authorities concerned must make self-criticism.

Diplomats in Hanoi, citing reliable sources among the Hanoi authorities, say that officials in the Vietnamese Government and party are directly involved in these corrupt practices.

The war of aggression waged in Cambodia during the apst more than 7 years by the Le Duan clique is the cause of the deteriorating Vietnamese economy, thus bringing about serious social crisis. Corruption and bribery have become a general practice among Vietnamese party and government officials from the grassroots to the upper echelons. This has seriously affected the livelihood of the Vietnamese people.

This confession by To Huu clearly shows that the Vietnamese economic and social crises are really very serious to the point that the Le Duan authorities can no longer conceal them. All of this is caused by the heavy burden of the Vietnamese war of aggression in Cambodia which has dragged on for more than 7 years now. If the Vietnamese authorities do not end this war and withdraw their troops back to Vietnam, they will never be able to solve these crises at home.

/12228
CSO: 4212/75

COALITION GOVERNMENT OF DEMOCRATIC KAMPUCHEA

VOK REPORTS CGDK BATTLE SUCCESSES IN APRIL

BK071257 (Clandestine) Voice of the Khmer in Cambodian 0500 GMT 7 May 86

/Text/ The Voice of the Khmer radio has learned of attacks launched by the CGDK forces against Vietnamese troops in various localities of Battambang and Oddar Meanchey provinces, attacks which saw 31 Vietnamese soldiers killed and 38 others wounded and some of their weapons seized.

The report said: On 18 April, 50 DK soldiers harassed Vietnamese command post in Ratanamondol District, killing 3 Vietnamese soldiers and wounding 5 others and destroying 3 AK-47's. On 19 April, 100 CGDK soldiers launched a surprise attack against the Vietnamese, killing 4 Vietnamese soldiers and wounding 9 others, destroying 4 AK-47's and 1 B-40, and seizing 1 B-40, 5 AK-47's, 1 mortar, and 1 pistol. On 25 April, a battalion of DK soldiers clashed with a Vietnamese battalion southeast of Thmar Puok. The 20-minute engagement resulted in three Vietnamese killed and another wounded. On 26 April, 12 DK soldiers launched a hit-and-run attack against 10 Vietnamese soldiers southeast of Samlot, 7 km from Ratanamondol District, killing 3 and wounding 2 Vietnamese soldiers and destroying 2 AK-47's and 1 M-79.

On 27 April, a Vietnamese truck hit landmines planted by CGDK forces southeast of Samlot, 3 km from Ratanamondol District. Two Vietnamese soldiers were killed and two others were wounded and the truck was put out of service in the explosion. On 29 April, a group of Sihanoukist National Army /ANS/ soldiers harassed Vietnamese forces at Totoeng Thngai village, Banteay Ampil District, Oddar Meanchey Province. The 10-minute harassment resulted in some killed or wounded Vietnamese soldiers. On the same day, another group of CGDK forces harassed a Vietnamese base southeast of Sisophon District, Battambang Province, killing one Vietnamese soldiers and wounding two others. Another ANS contingent attacked a company of Vietnamese troops at Kouk Kramuon, Varin District, Siem Reap Province. The 1-hour attack caused four killed and four wounded among the Vietnamese soldiers. One ANS soldier was killed and another was wounded. Also on 29 April, 10 Vietnamese soldiers walked into booby traps set by CGDK forces southeast of Samlot: two were killed, one was wounded. On 30 April, CGDK forces harassed a Vietnamese position west of Kop village, 1 km from Poipet, killing five and wounding six.

/12228
CSO: 4212/75

VODK HAILS ASEAN-U.S. PLAN ON CAMBODIAN PROBLEM

BK090408 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 7 May 86

/Station commentary: "The Three-point Plan Jointly Adopted by ASEAN and the United States at the Bali Conference in Order to Pressure Vietnam to Withdraw From Cambodia is an Effective and Correct Strategic Measure"/

/Text/ At a conference held in Bali island in Indonesia on 1 May, the six ASEAN foreign ministers and U.S. President Reagan jointly adopted a three-point plan to pressure the Hanoi Vietnamese authorities to end their war of aggression in Cambodia. This three-point plan consists of:

1. Further isolating Vietnam in the political and diplomatic fields until it withdraws all its troops from Cambodia;

2. Giving all possible support and assistance to the Cambodian resistance forces so as to enable them to carry on their struggle against the Vietnamese aggressors; and

3. Seeking a political solution to the Cambodian problem in accordance with the ASEAN principles.

These three points are to be carried out simultaneously. This is a correct strategic measure and an effective means to force Vietnam to sit down at the negotiating table in order to seriously discuss the settlement of the Cambodian problem by withdrawing all its aggressor troops from Cambodia in order to allow the Cambodian people to decide their own destiny.

Events in the past more than 7 years clearly show that Vietnam does not respect international law, the UN Charter, or the opinion of the world community which has persistently called on Vietnam to join in solving the Cambodian problem through political means. Vietnam has not respected the resolutions adopted successively by the UN General Assembly and the statement of the International Conference on Cambodia. It has rejected the proposals for the settlement of the Cambodian problem proposed by ASEAN and other countries in the region and the eight-point proposal made recently by the CGDK which is regarded by the world community as a correct, reasonable, and most flexible proposal. This clearly shows that words and principles alone cannot change Vietnam's aggressive and expansionist stand nor force it to sit at the negotiating table in order to seriously discuss the settlement of the Cambodian problem. Thus, only by taking strict and concrete measures as adopted jointly by the ASEAN nations and the United States during the Bali conference will Vietnam bv forced to sit at the negotiating table to seriously discuss the settlement of the Cambodian problem.

The Cambodian people and the CGDK highly value this strict and correct approach. The Cambodian people and the CGDK regard this measure as an effective contribution to putting an end to the Vietnamese war of aggression and destruction in Cambodia as well as to safeguarding peace and security in Southeast Asia and the Asia-Pacific region.

During the past more than 7 years, due to the allround pressure--particularly in the economic and diplomatic fields--exerted by the world community, and with the fierce and continuous attacks by the CGDK's resistance forces on the battlefield, the Hanoi authorities have faced and are facing serious difficulties both in Vietnam and on the Cambodian battlefield. At present, the Hanoi authorities are suffering seriously in all fields.

The Cambodian people and the CGDK are convinced that if the world community continues to exert more vigorous pressure on Vietnam and further supports the Cambodian people's struggle under the leadership of the tripartite CGDK so that they can fight more vigorously against the Vietnamese aggressors, no matter how obstinate they are, the Hanoi Vietnamse authorities will certainly not be able to cling too long to their aggressive stand. Sooner or later the Hanoi Vietnamese authorities will be compelled to abandon thus stand and agree to negotiate the settlement of the Cambodian problem by withdrawing all their aggressor troops from Cambodia in order to let the Cambodian people decide their own destiny.

/12228
CSO: 4212/75

EDITORIAL STRESSES IMPORTANCE OF YOUTH UNION TO PARTY

Hanoi QUAN DOI NHAN DAN in Vietnamese 2 Apr 86 pp 1,4

[Editorial: "Building Up Reserves of the Party"]

[Text] Our party is strong in itself and strong in reserve forces, which are comprised of the Ho Chi Minh Communist Youth Union. The main reason the party has developed constantly in quantity and quality is that we have introduced into our ranks outstanding young Communists from the union. More than half a century ago, our party always saw to educating and developing the union, considering this an important aspect of party building. Members of the union always number high among service members recruited into the party. Yet it is not only in the Army, but everywhere else as well. And yet no small number of party organizations fail to pay sufficient attention to activating the reserve role of the union, so that in those places, party development is still slow, with no additions at all to party membership in some places. In such a situation, union members feel no attachment to the party and no enthusiasm for striving to become party members. This is a shortcoming that must be corrected.

It is wrong to fail to develop the reserves, but it is not enough to generally motivate and mobilize union members to apply themselves to training. There must be concrete training programs, plans, and methods which enable the union and the young people to fulfill the function of party reserves. The most critical issues are education in communist ideals and heightening revolutionary awareness and knowledge of Marxism-Leninism and of our revolutionary party line, so that our young people truly look on the party mission as their reason for living.

Once communist ideals are possessed, what is of no less decisive significance is for young people to be resolved to implement those ideals. Resolution must be turned into the concept of collective ownership and youthful self-conscious and voluntary spirit of undertaking heavy responsibilities before the party and the people must be turned into concrete daily actions in the task of building the army, defending the fatherland, and building the nation. On the other hand, youths must be enabled to increase their general knowledge and scientific and technical level in order to struggle, operate, and work effectively, productively, and with high quality, completing their mission while maturing rapidly.

Developing the youth union and seeing to the advancement of the reserves of the party is the responsibility of cadres and party members of the older generation.

In education, with youths more than with anyone else, theory must be combined with practice.

In conjunction with political and ideological training, youths must be introduced to practical actions. The resolve to struggle for communist ideals must be manifested in training, testing, and development of the union's vanguard function in combat and operations. Assault actions are themselves a living classroom to comprehensively raise the standards of union and youth organizations in revolutionary will, combat ability, working skill, outlook on organization and discipline, and socialist living; union members are then to be trained for induction into the party.

An effective method of educating youths is the example of the older generation. Whatever the party teaches union members regarding ideals and revolutionary qualities, cadres and party members must exemplify in concrete works. Cadres and party members must furthermore take the initiative to closely and intimately understand the thoughts, emotions, aspirations, strengths, and weaknesses of each union member in order to help him strive and progress.

The thing to be emphasized is the education of union members for induction into the party. Union members trying to become party members must be motivated not by a desire for personal gain, but by a self-conscious, voluntary acceptance of the grave responsibility of vanguard revolutionary soldiers, prepared to sacrifice themselves unconditionally for the fatherland and the people for the victory of socialism and communism.

If the party organization, cadres, and party members provide union members and youths careful attention and provide them every prerequisite, it is certain that young people will diligently and enthusiastically strive to train and learn and try in every way to become members of the Communist Party. This will make the party reserve in the Army ever stronger, and party organizations will always have reserves in order to constantly develop its ranks.

9830
CSO: 4209/492

NHAN DAN SAYS U.S. USES TERRORISM AS POLICY INSTRUMENT

OW110813 Hanoi VNA in English 0733 GMT 11 May 86

["United States Is Top Terrorist, Says NHAN DAN"--VNA headline]

[Text] Hanoi, 11 May (VNA)--The "war against international terrorism" trumpeted by the United States and its allies at the recent Tokyo summit of seven capitalist industrialized countries is just a new propaganda campaign to whitewash the U.S. crimes of aggression, says NHAN DAN in a commentary today.

The United States, notes the paper, has for a long time taken terrorism as an important foreign policy and a helpful instrument for aggression in service of its global counterrevolutionary strategy.

The United States' war of aggression against Vietnam and its other acts of aggression of and intervention into many countries in Asia, Africa and Latin America are undeniable evidence of the U.S. policy of state terrorism, the paper says.

the U.S. has been a sanctuary and a base for the most atrocious terrorists including many fascist war criminals, NHAN DAN further notes, adding that every year, Washington gives billions of dollars in aid to reactionaries of all sorts for their acts of sabotage and terrorism against all nations.

Recent world developments, the paper continues, have clarly shown that the United States is pushing up its state policy of terrorism aimed at dominating other nations.

The Reagan administration has openly threatened Libya, Syria, Iran, Nicaragua, Afghanistan, the People's Republic of Kampuchea, Ethiopia, Angola and other independent, soviereign states, while overly supporting terrorist and dictatorial regimes in Chile, Israel, South Africa, etc. which are being condemned by the whole of mankind. This is a new, flagrant challenge of the U.S. imperialists to the movement for national liberation and independence, as well as the revolutionary and progressive movement all over the world, remarks the paper.

/9274
CSO: 4200/1012

QUAN DOI NHAN DAN DECRIES U.S.-ISRAEL 'MANEUVER'

OW160743 Hanoi VNA in English 0728 GMT 16 May 86

[Text] Hanoi, 16 May (VNA)--The army paper QUAN DOI NHAN DAN in its commentary today strongly criticizes the U.S. and Israel for carrying out an aggressive maneuver against Syria under the pretext "fighting terrorism."

The paper says:

"Of late, the United States and its West European allies are waging a slander campaign against Syria, accusing it of backing terrorist activities.

"After having together with its allies passed an 'anti-terrorism resolution' at the Tokyo summit, the U.S. plots to conduct new aggressive attacks against independent and sovereign countries considered unfriendly to it. In the Middle East, after bombing Libya, the U.S. has chosen Syria as the next target and has instructed Israel to directly prepare for an invasion of Syria."

It continues: "Israel is now concentrating a large armed force along the border with Syria, especially on the Golan Heights, ready to attack Syria's vital military bases."

"The U.S. piratical acts against Libya and its campaign against Syria are creating a very dangerous situation in the Middle East fraught with serious consequences getting beyond the geographical sphere of the region. The purpose of the anti-Syria campaign is nothing other than compelling it to give up its struggle against the U.S. and Israeli expanionist policy towards the Arab countries.

"A plan for military attacks against syria is being frenziedly worked out with Tel Aviv top leaders being summoned to Washington for taking orders, including Israeli Prime Minister Peres in early April and Israeli Minister of Defence Rabin only recently. The Washington-Tel Aviv collusion is approaching a danger point at which the Israel card is being played by the White House and the Pentagon in their new criminal adventure in the Middle East."

"The present tense situation in the Middle East resulting from Libya event demands that the Arab nations stand on guard and united with a determination to curb the criminal aggression of the United States and Israel," the paper says in conclusion.

/9274
CSO: 4200/1045

PAPER CRITICIZES ANTI-SOVIET CHERNOBYL PROPAGANDA

OW141607 Hanoi VNA in English 1459 GMT 14 May 86

[Text] Hanoi VNA 14 May--Hostile forces are ranting about the Chernobyl accident in a rabid anti-Soviet propaganda campaign, notes the Vietnamese Army DAILY QUAN DOI NHAN DAN in a commentary today.

The paper says: "As a matter of fact, right after the mishap, the Soviet Union has taken all urgent measures to overcome the consequences and has duly informed the international nuclear energy agency in Vienna and the governments concerned."

"The authors of the anti-Soviet scenario, however, hope that by a PSY-war campaign about the Chernobyl accident they will be able to damage the Soviet Union's international prestige, and to blur the successive peace intitiatives put forward by the Soviet Union in the recent months."

"This provocative move against the Soviet Union has poisoned the already tense international political atmosphere. There's no denying that this is the first time the Soviet Union met with such an accident, whereas the United States has experienced nuclear hazards many times."

Another difference is that the United States used to keep silent after each accident. So the noisy anti-Soviet campaign about the Chernobyl accident conducted by Washington and other hostile forces has exposed more clearly their wicked nature.

"With its political speculation over the Chernobyl accident, the United States hopes to avoid the strong condemnation by public opinion for its recent terrorist acts against Libya and for its obstinance in continuing nuclear blasts in Nevada in face of the Soviet Union's peace initiatives. But no matter how thick the smokescreen may be, it cannot mislead world public opinion."

/12913
CSO: 4200/1026

CPV GREETS ROMANIAN COMMUNIST PARTY ANNIVERSARY

OW071743 Hanoi VNA in English 1533 GMT 7 May 86

[Text] Hanoi, 7 May (VNA)--The Central Committee of the Communist Party of Vietnam has sent a message of greetings to the Central Committee of the Romanian Communist Party on the latter's 65th anniversary.

The message says:

"Over the past 65 years, under the leadership of the Romanian Communist Party, the fraternal Romanian people have obtained many successes in their struggle for national liberation and in defence of their splendid revolutionary achievements as well as in their socialist construction.

"We are very glad at your great achievements and wish you still greater success in implementing the resolutions adopted at the 13th RCP Congress to successfully build a developed socialist society in Romania.

"We firmly believe that the friendship and multi-faceted cooperation, based on Marxism-Leninism and socialist internationalism, between the two parties and the peoples of Vietnam and Romania will be constantly consolidated and developed in the interests of the two nations and for the sake of world peace and socialism."

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CSO: 4200/1012

NHAN DAN EDITORIAL ON ROMANIAN CP'S ANNIVERSARY

OW080750 Hanoi VNA in English 0708 GMT 8 May 86

[Text] Hanoi, 8 May (VNA)--The coming into being of the Romanian Communist Party created a prerequisite for the success of the revolutionary struggle of the Romanian working class and people for national liberation and socialist construction in Romania, says NHAN DAN in a commentary today marking the 65th RCP anniversary.

After receiving the achievements recorded by the Romanian people under the leadership of the RCP in the past 65 years, the paper notes that Romania has embarked on a new stage of development--building developed socialism. Today Romania is a developed industrial-agricultural country and the people's living standards have been gradually improved.

Nineteen hundred eighty-six, the first year of Romania's Eighth 5-Year Plan (1986-90), is marked by a high working movement of the entire population aimed at turning the resolutions of the 13th Party Congress into reality and bringing the country to new peaks in its advance toward developed socialism, the paper says.

"The Vietnamese communists and people welcome the great successes of the Romanian Communist Party and people. We sincerely thank the party, the government and people of Romania for their support with and assistance to the Vietnamese people's revolutionary cause in the past as well as present," concludes the paper.

/9274
CSO: 4200/1012

LE QUANG DAO RECEIVES GDR YOUTH DELEGATION

OW081801 Hanoi VNA in English 1546 GMT 8 May 86

[Text] Hanoi, 8 May (VNA)—Le Quang Dao, secretary of the Communist Party of Vietnam Central Committee, yesterday received a delegation of the GDR's Free German Youth Organization (FDJ) led by Eberhard Aurich, first secretary of the FDJ Central Committee.

Also present were Vu Mao, first secretary of the Ho Chi Minh Communist Youth Union Central Committee, GDR Ambassador to Vietnam Dr Hermann Schwiesau, and others.

Speaking on this occasion, Le Quang Dao welcomed the delegation on its Vietnam visit and valued highly the activities of the FDJ and the multifaceted cooperation between the youth organizations of the two countries.

He also welcomed the splendid success of the 11th Congress of the Socialist Unity Party of Germany.

For his part, Eberhard Aurich informed the Vietnamese side of the satisfactory result of the delegation's visit and expressed his gratitude for Vietnam's hospitality.

He affirmed the solidarity and friendship of the GDR youth to the Vietnamese youth, and pledged the FDJ's continued efforts to develop its cooperation with the Ho Chi Minh Communist Youth Union.

A program for cooperation and friendship between the FDJ and the Ho Chi Minh Communist Youth Union for the 1986-90 period was signed here this morning.

The FDJ delegation left here for home this afternoon.

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CSO: 4200/1012

LEADERS GREET CSSR COUNTERPARTS ON NATIONAL DAY

OW081748 Hanoi VNA in English 1534 GMT 8 May 86

[Text] Hanoi, 8 May (VNA)--Vietnamese party and state leaders have sent their warmest greetings to their Czechoslovak counterparts on the 41st national day of the Czechoslovak Socialist Republic (9 May).

The message, signed by Le Duan, general secretary of the Communist Party of Vietnam Central Committee; Truong Chinh, president of the State Council; Pham Van Dong, chairman of the Council of Ministers; and Nguyen Huu Tho, chairman of the National Assembly, was addressed to Gustav Husak, general secretary of the Communist Party of Czechoslovakia Central Committee and president of the Republic; Lubomir Strougal, prime minister, and Alois Indra, chairman of the Federal Assembly. It says: "Over the past 41 years, the Czechoslovak people, under the leadership of the Communist Party of Czechoslovakia (CPC), have gained big achievements in building and safeguarding socialism. Especially since the 14th CPC Congress they have obtained brilliant achievements in building a developed socialist society. Today Czechoslovakia is endowed with a highly developed industry and agriculture and an advanced science and technology. The cultural and material life of the Czechoslovak people has been constantly improved. Together with the Soviet Union, and the other socialist countries, and progressive people in the world, Czechoslovakia is actively struggling for peace, national independence, democracy and social progress."

"The Vietnamese people greatly rejoice at those achievements of the Czechoslovak people and wish them, under the leadership of the CPC headed by Comrade Gustav Husak, still bigger successes in implementing the resolutions of the 17th CPC Congress, continuously taking their cause of socialist construction to new peaks."

"The Vietnamese communists and people highly treasure the friendship and comprehensive cooperation between the two parties and peoples based on Marxism-Leninism and socialist internationalism, and in conformity with the Vietnam-Czechoslovak treaty of friendship and cooperation, and pledge to do their utmost to make that relationship ever lasting."

The message expresses sincere thanks to the CPC, the Federal Assembly, the government and people of Czechoslovakia for their support and assistance to the Vietnamese people's revolutionary cause, and wishes for further consolidation and development of the friendship, military solidarity and cooperation between the two parties and peoples.

Also on this occasion, Foreign Minister Nguyen Co Thach has sent his greetings to his Czechoslovak counterpart, Bohuslav Chnoupek.

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CSO: 4200/1012

NHAN DAN MARKS ANNIVERSARY OF VICTORY OVER HITLER

OW090757 Hanoi VNA in English 0729 GMT 9 May 86

[Text] Hanoi, 9 May (VNA)--"The enemies of peace, national independence, democracy and social progress will be doomed to ignominious failure just as Hitlerite fascism over 41 years ago," says NHAN DAN in a commentary today marking the 41st anniversary of the victory over Hitlerite fascism (9 May).

The paper describes the victory over fascism as the second biggest victory of the 20th century after the Russian October Revolution. It says:

"The world people look to the Soviet Union, the land of Lenin, with admiration and profound gratitude to the heroic Soviet people and army, who under the leadership of the Communist Party of the Soviet Union, made great and decisive contributions to that glorious victory.

"Forty-one years after the victory over Hitlerite fascism," the paper points out, "the three revolutionary currents of our time are on the offensive again, this time more powerful than ever before. Imperialist capitalism is bogged down in an acute crisis and deep contradictions. Refusing to draw a lesson from the ignominious failure of Hitlerite fascism, U.S.-led imperialism is feverishly counter-attacking the forces of revolution and peace, accelerating the arms race to an unprecedented extent, even in outer space, in an attempt to break the strategic military equilibrium already taking shape and regain its lost positions.

The paper continues: "Diversified developments of the international situation have made it clearer to everybody that the life-and-death struggle for peace, national independence, democracy and social progress remains a long, hard and complicated one. The world people still have to overcome innumerable difficulties ahead to attain their objective. Reminiscences of the sufferings caused by World War II, the lessons drawn from that grim trial, and the conclusions made from realities of the struggle over the past more than 40 years have urged all the forces of revolution, peace and social progress in the world to unite more closely in the struggle to foil all adventurous plans of the warlike militarist forces, and put into practice the Soviet Union's peace initiatives.

"U.S.-led imperialism, bent on following Hitlerite fascism in the new situation, is colluding with the other reactionary and expansionist forces to continue their fierce counter-attacks, but the three revolutionary currents will certainly stay their criminal hands, the nuclear war danger created by U.S. imperialism is still handing over mankind, but the Soviet Union, the socialist community and the world people are fully capable of safeguarding peace."

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CSO: 4200/1012

NHAN DAN VIEWS 'SERIOUS CONTRADICTION' AT TOKYO SUMMIT

OW100814 Hanoi VNA in English 0730 GMT 10 May 86

[Text] Hanoi, 10 May (VNA)--"The recent seven-nation Tokyo Summit tried, under the United States' pressure, to show a resemblance of views on some international political issues, but it failed to cover up the serious contradiction among the participating countries on econo-financial matters," says NHAN DAN in a commentary today.

The paper notes that few other summits of the seven most developed capitalist countries had been prepared so carefully and publicized so pompously as the 12th Summit in Tokyo.

The paper goes on: "It has become clear through the Tokyo Summit that the econo-financial situation of the seven most developed capitalist nations continues to unfold complicatedly and that each country is clinging to its own designs and calculations.

"The United States and many West European countries are deeply concerned about the serious and steady unemployment rate in their countries. This situation and a chronic deficit in the commerce balance has made most capitalist countries raise the barrier of trade protectionism.

"The successive monetary upheavals in the developed capitalist countries and the complicated reactions by most of the capitalist world to the piling debts and to the lowering of oil and material prices look like dark clouds auguring an approaching international financial crisis."

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CSO: 4200/1012

HANOI HOSTS INTERNATIONAL YOUTH MEETING

OW111650 Hanoi VNA in English 1541 GMT 11 May 86

[Text] Hanoi, 11 May (VNA)--The international youth meeting on peace, security, development and cooperation in Asia and the Pacific opened in Hanoi this afternoon under the joint sponsorship of the World Federation of Democratic Youth (WFDY), the Ho Chi Minh Communist Youth Union and the Vietnam Youth Union.

Participating in the meeting are delegations of the WFDY, the World Peace Council (WPC), the International Union of Students, the Women's International Democratic Federation, the Organization of International Journalists, the Afro-Asian People's Solidarity Organization and the Asian Buddhists' Conference for Peace, and National Youth Organizations from India, Bangladesh, Iran, Laos, the Soviet Union, Mongolia, Australia, Japan, the ?DPRK), Sri Lanka, Kampuchea, Hungary and Vietnam.

At the opening session, the participants heard speeches delivered by the WRDY, the WPC and other delegations concerning the present international situation, especially that in Asia and the Pacific. The speakers shared the view that the present situation in Asia and the Pacific continues to be strained because of the ambition of the U.S. imperialists and other reactionary forces which consider this part of the world an important strategic area in their global strategy.

All the speakers acclaimed the peace initiatives and efforts of the Soviet Union, Mongolia, India, and the Indo-Chinese and other countries with the aim of maintaining peace, security and development on the basis of promoting equal cooperation and mutual interests, and enhancing the tendency for dialogue. Most notable among the peace initiatives and efforts is the recent Soviet government's statement on the situation in Asia and the Pacific.

They also spoke of the ardent desire for peace of the youth and people in many countries in Asia and the Pacific, and voiced their determination to prevent a nuclear catastrophe as the one in Hiroshima and Nagasaki.

The meeting will last till 13 May.

Yesterday a rally of the Hanoi young people took place at the Vietnam-USSR friendship workers' cultural palace in honour of the international youth meeting.

It was honored by Huynh Tan Phat, vice president of the State Council and president of the Presidium of the Vietnam Fatherland Front Central Committee; Phan Anh, president of the Vietnam Peace Committee and vice president of the World Peace Council; Walid Masri, president of the World Federation of Democratic Youth, and other foreign delegates to the meeting.

Speaking at the event Vu Mao, first secretary of the Ho Chi Minh Communist Youth Union Executive Committee stressed that the "Vietnamese youth support and welcome all efforts and initiatives conducive to the improvement of the regional climate, the promotion of dialogue and cooperation on the basis of equality, respect for independence and sovereignty, and non-interference in the international affairs of the countries in Asia and the Pacific in general and in Southeast Asia in particular."

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CSO: 4200/1012

CONSULTATIVE WFDY ASIAN-PACIFIC MEETING ENDS

OW142106 Hanoi VNA in English 1516 GMT 14 May 86

[Text] Hanoi VNA 15 May [dateline as received]--The consultative meeting of the Asian-Pacific affiliates of the World Federation of Democratic Youth [WFDY] closed here today after two day's sitting.

The meeting hosted by the Ho Chi Minh Communist Youth Union, was attended by representatives of the executive committee of the WFDY and youth organizations from Australia, Bangladesh, India, Iran, Japan, Kampuchea, the People's Democratic Republic of Korea, Laos, Mongolia, the Philippines, SRI Lanka, the Soviet Union and Hungary.

The meeting released a communique saying in parts:

"The participants discussed the development of the situation in Asia and the Pacific and underlined that peace, security and independence of the peoples in the region were seriously endangered and tension increased due to the continuous efforts of the U.S. to practice the policy of neo-globalism..."

"The meeting condemned the increase of U.S. military presence in the region, the attempts to transform Japan into a big military power, strengthen the Washington-Tokyo-Seoul military alliance, drive the ASEAN into a military alliance and push this group of countries towards a confrontation with the countries of Indochina, turn Pakistan into a U.S. gendarme in Southern Asia, and reinforce the ANZUS military bloc, and the presence of U.S. nuclear forces in the southern Pacific..."

"The meting expressed its firm support to the constructive proposals aimed at eliminating tension, developing dialogue and promoting cooperation in the region. They particularly supported the proposal made by the Soviet Union for Asian-Pacific security, the holding of a forum on peace and security in Asia and the Pacific, the practical measures proposed by the countries of Indochina aimed at transforming Southeast Asia into a zone of peace, stability, friendship and cooperation, the proposal of Mongolia for a convention on non-aggression and non-use of force in relations among the states of the region.

They also backed the proposal of the DPRK for the elimination of tension on the Korean Peninsula and the peaceful and independent reunification of the country, the proposal of the Afghan government for Afghanistan, the proposals of India and other non-aligned states for transforming the Indian Ocean into a zone of peace.."

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CSO: 4200/1026

CAMBODIAN, LAO DELEGATES ADDRESS YOUTH MEETING

OW160803 Hanoi VNA in English 0713 GMT 16 May 86

[Text] Hanoi, 16 May (VNA)--The U.S. imperialists and other reactionary forces are trying by all means to regain the bases they had lost in South Asia, said the head of the Kampuchean delegation to the international youth meeting on peace, security, development and cooperation in Asia and the Pacific recently held here.

Addressing the meeting, both Kuhnith, secretary of the Executive Committee of the Revolutionary Youth Association of Kampuchea, noted that the reactionaries' attempt is to fish in troubled waters, that is why they are pursuing the policy of "divide and rule" towards the peoples in the region, particularly setting up confrontation between the ASEAN and Indochinese countries.

On the other hand, the reactionary forces are impeding the trend for negotiations in the region. They gave breath to the ousted Democratic Kampuchea and set up the so-called "tripartite coalition government" and used it as an instrument to destroy the revolutionary gains of the Kampuchean people.

The speaker highlighted the marvellous rebirth of Kampuchea and denounced the U.S. imperialists for colluding with the Chinese expansionists and other forces of reaction in their plot to overthrow the People's Republic of Kampuchea and take the genocidal Pol Pot regime back to power.

After exposing the reactionary forces' attempts to weaken Vietnam and Laos, the Kampuchean head delegate stressed that the three Indochinese peoples have resolutely defeated the enemy schemes, further strengthening their strategic alliance and firmly building and defending their homelands.

From Laos, Phandoangchith Vongsa, secretary of the Executive Committee of the Lao People's Revolutionary Youth Union, said:

Ten years have passed since the total defeat of the U.S. imperialists in Vietnam, Laos and Kampuchea, but the imperialist and reactionary forces continue disturbing the peaceful reconstruction of the three Indochinese countries. The U.S. imperialists are trying to turn the ASEAN countries into a spearhead of their aggressive strategy against the Indochinese countries.

The U.S. imperialists and reactionary forces, are turning Southeast Asia into a zone of political and military confrontation, creating obstacles to peaceful solutions to the conflict between ASEAN and Indochinese countries.

The recent meeting between U.S. President Reagan with ASEAN officials in Bali, the Lao head delegate noted, demonstrated U.S. ambitions to dominate this part of the world and undermine peace and social progress in this region, In so doing the U.S. imperialist and reactionary circles have launched an anti-Soviet and anti-Vietnam campaign, refused the reality in Kampuchea and created the atmosphere of hatred among neighbouring countries.

The Lao young people, victims of over 30-year war, have enjoyed peace for over 10 years now. **They** understand the meaning of a real peace and wish to see Asia and the Pacific as a zone of peace, stability, friendship and cooperation.

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CSO: 4200/1045

NGHIA BINH BOOSTS COOPERATION WITH 'TWINNED' LAO PROVINCE

OW170733 Hanoi VNA in English 0719 GMT 17 May 86

[Text] Hanoi, 17 May (VNA)--Vietnam's central coastal province of Nghia Binh has further promoted its cooperation with and assistance to the southern Lao province of Champassak since the establishment of their twinned relationship in 1979.

Nghia Binh possesses enormous economic potentials, specially in agriculture, forestry and fishery, while Champassak, crossed by the Mekong River, has the vast fertile high plateau of Bolovens.

In furtherance of an agreement reached by the two provinces, Nghia Binh last year helped Champassak build a cassava-processing workshop with a capacity of eight tons per shift; equip a crystallized sugar mill and a sugar processing mill, and plan 50 ha of sugarcane.

It also helped equip a 20-bed ward in Champassak hospital, a pharmaceutical enterprise and a brick and tiles workshop with a capacity of 1.2 million bricks and tiles a year.

Nghia Binh has also supplied to Champassak salt, glass, medical equipment and medicines, chemicals, new rice and sugarcane strains, insecticide and sprayers.

Last year, Nghia Binh sent experts to Champassak and helped train technical and medical workers for its Lao twinned province. A friendship school build in Nghia Binh has enrolled about 100 students of both provinces for the 1985-86 school year.

As the exchange of goods the Vietnamese province has provided Champassak with sugar, household utensils, automobile tyres, cement, bicycle parts, etc.

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CSO: 4200/1045

NGUYEN THI BINH ADDRESSES AAPSO COUNCIL SESSION

OW190857 Hanoi VNA in English 0723 GMT 19 May 86

[Text] Hanoi, 19 May (VNA)--A delegation of the Vietnam Committee of the Afro-Asian Peoples' Solidarity Organization (AAPSO) led by Education Minister Mrs Nguyen Thi Binh, vice president of the AAPSO, attended the 14th session of the Council of the AAPSO held in Moscow from 14-18 May.

In her speech at the session, Mrs Nguyen Thi Binh affirmed full support for peace initiatives of the Soviet Union particularly the initaitives put forth by Comrade M. S. Gorbachev on 15 January, 18 April and 14 May 1986 and the 23 April statement of the Soviet Government on the situation in Asia and the Pacific. She energetically condemned the U.S. imperialists for stubbornly intensifying the nuclear arms race and together with other international reactionary forces stepping up the policy of aggression, intervention and subversion, causing tension and danger in the Far East, and increasing ever more the danger of a nuclear war in Asia and the Pacific. Nguyen Thi Binh also voiced the good will and efforts of the Indochinese countries in proposing many initiatives aimed at solving by negotiation the Kampuchean issue and stepping up dialogue to build Southeast Asia as a region of peace, stability, friendship and cooperation.

The meeting adopted a resolution on Asia and the Pacific, fully supporting the realistic and flexible approaches proposed by the 12th conference of the Indochinese foreign ministers, which approaches open possibilities for a solution to Asian-Pacific problems, including the Kampuchean issue.

On the moves and plots of the United States, the main cause of the increased tension and instability in the region, says the resolution, the meeting particularly condemned the schemes and acts of U.S. imperialism and other international reaction to hinder and sabotage the revival of the Kampuchean people and to put the ASEAN countries against the Indochinese countries, thus creating tension and instability in Southeast Asia.

The resolution concluded by calling on all progressive mankind to redouble its joint efforts to back the just struggle of the Asia-Pacific peoples, including Vietnam, Laos and Kampuchea in their national construction and defence.

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CSO: 4200/1045

BRIEFS

USSR-AIDED BATTERY PLANT--Hanoi, 18 May (VNA)--The first phase of construction of the Xuan Hoa battery enterprise built with Soviet assistance on Hanoi's northern outskirts has been completed on the occasion of President Ho Chi Minh's 96th birth anniversary (19 May). The enterprise with a designed capacity of 45 million batteries a year is one of major projects of Hanoi's chemical industry. Present at a ceremony held on 17 May to mark the completion of the first phase of construction were leading officials of the Vietnamese General Department of Chemical Products, and representatives of various ministries and local bodies. Representatives of the Soviet Embassy in Hanoi and Soviet experts working at the construction site attended. [Text] [Hanoi VNA in English 1549 GMT 18 May 86 OW] /9274

GDR MEDAL CONFERRED ON TEACHER--Hanoi, 18 May (VNA)--The Union of Associations of Friendship with other peoples of the German Democratic Republic recently presented a medal to Luong Van Hong, a German-language teacher of the Ho Chi Minh City University, for his outstanding efforts in translating many German literary works into Vietnamese. Luong Van Hong has translated into Vietnamese fairy tales of Grimm Brothers and conducted many research works on the German literature. He was trained at the Karl Marx University in Leipzig. [Text] [Hanoi VNA in English 1551 GMT 18 May 86 OW] /9274

NEW BULGARIAN AMBASSADOR--Hanoi, 17 May (VNA)--The new ambassador extraordinary and plenipotentiary of the People's Republic of Bulgaria to Vietnam, Georgi Todorov Vasev, presented here today his credentials to vice-president of the State Council Nguyen Huu Tho. Vice President Nguyen Huu Tho had a cordial talk with the Bulgarian diplomat. [Text] [Hanoi VNA in English 1517 GMT 17 May 86 OW] /9274

USSR ECONOMIC MANAGEMENT COURSE--Hanoi, 17 May (VNA)--A refresher course on economic management was recently opened in Ho Chi Minh City for 400 high and intermediate cadres. This course is the first one conducted under a second cooperation agreement between Vietnam and the Soviet Union on training, in-service training and upgraded training of high and intermediate cadres. Some 7,000 cadres from all parts of the country received in-service training on economic management through 12 courses organized under the first cooperation agreement signed between the two countries. [Text] [Hanoi VNA in English 0715 GMT 17 May 86 OW] /9274

USSR-AIDED OIL PROJECTS--To mark the centenary of the International Labor Day, trade union organizations in the Special Zone of Vung Tau-Con Dao and the joint Vietnam-Soviet oil and gas venture held an oil-burning ceremony to start a period of oil extracting on the continental shelf of southern Vietnam. Vietnamese workers and Soviet experts are accelerating the construction of assorted projects for the oil industry. [Text] [Hanoi International Service in English 1000 GMT 6 May 86 BK] /9274

U.S. VISIT PROVES COLLUSION--The army paper QUAN DOI NHAN DAN said the recent Chinese PLO Chief of General Staff Yang Dezhi's visit to the United States is another step of Sino-U.S. military collusion. In its commentary on Monday [12 May], the paper pointed out that the frequent exchanges of visits between China and the United States reflect the development of collusion between expansionism and imperialism that arouses concern among regional countries and are a threat to peace, security, and stability in Asia, the Pacific, and the whole world. [Text] [Hanoi International Service in English 1000 GMT 12 May 86 BK] /9274

FRANCE'S CHIRAC VISITS SRV PAVILION--Hanoi, 7 May (VNA)--French Prime Minister Jacques Chirac has called at the Vietnamese Pavilion at the freshly-opened Paris International Fair and was received by Vietnamese Ambassador to France Ha Van Lau. In his remarks, the French prime minister welcomed Vietnam's participation in the fiar and expressed his hope that Vietnam would take part in the Paris fair regularly. On 5 May, Ambassador Ha Van Lau and the presidium of the Vietnamese Resident's Union in France offered a banquet at the fair. Some 200 guests were invited, among them Ivan Bastouil, chief of the Asia-Australia department of the French Ministry for External Relations, the Lao ambassador to France, the general-director of the fair, and representatives of the France-Vietnam Friendship Association and the Vietnamese Residents' Union in France. [Text] [Hanoi VNA in English 1542 GMT 7 May 86 OW] /9274

NEW FREIGHTER LAUNCHED--Hanoi, 6 May (VNA)--The Ha Long Shipyard in the northern coastal Province of Quang Ninh has just launched a 1,400-ton freighter named "Viet-Ba (Vietnam-Poland) No 02," an achievement in anticipation of the 6th Congress of the Communist Party of Vietnam. The shipyard, designed and built with Polish assistance, has in recent years started building new series of ships bearing the friendship name of "Viet-Ba." The "Viet-Va No 02" freighter is 70.50 metres long, 11.64 metres wide and 5.30 metres high with a 1,320 h.p.-capacity. It took 163 days to build the ship, a record time for building ships of this size in Vietnam. [Text] [Hanoi VNA in English 0705 GMT 6 May 86 OW] /9274

USSR AGRICULTURAL COOPERATION--The Soviet Union and Vietnam are cooperating in many agricultural sectors, including rubber planting. Under contracts signed between the Soviet foreign trade corporation for export of agricultural and industrial products and Vietnamese customers, the Soviet Union will supply Vietnam with equipment for use in rubber cultivation. In addition, the corporation has signed a contract to provide Vietnam with equipment needed to grow 20,000 hectares of coffee at various state farms. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 30 Apr 86 BK] /8918

'DAYS OF VIETNAMESE CULTURE'--Hanoi VNA 16 May--The days of Vietnamese Culture opened in Sofia on Monday with an official concert at the Sofia Opera House, reports the Bulgarian News Agency BTA. A Vietnamese delegation, which had arrived in Sofia in connection with the days, headed by Nguyen Van Hieu, Minister of Culture of Vietnam, was received by Georgi Yordanov, alternate member of the Politburo of the CC of the BCP and chairman of the Council for Intellectual Development and of the Committee for Culture. The talks centered on rapidly developing bilateral relations in the field of culture. In a press conference, the same day, Nguyen Van Hieu briefed journalists on the days' program and discussed certain aspects of the development of Vietnamese culture. Exhibitions on Vietnam applied arts and paintings and a Vietnamese film week were opened on the occasion. Bulgarian theatre fans will be able to see for the second time the "Choo" Felk Theatre, which had visited the country in 1982, together with varieties of other folk songs and dances. [Text] [Hanoi VNA in English 1504 GMT 14 May 86 OW] /12913

CSO: 4200/1026

COUNCIL OF MINISTERS GRANTS ALLOWANCES ON CORVEE LABOR

BK110508 Hanoi Domestic Service in Vietnamese 1100 GMT 10 May 86

[Text] On 2 May, the chairman of the Council of Ministers issued a decision on granting allowances to people carrying out corvee labor at state water conservancy project construction sites.

The decision pointed out: People performing corvee labor at water conservancy project construction sites must bring their own food and work tools. The state shall provide cash allowances for people doing corvee labor at water conservancy project construction sites financed by state investment. People serving as unskilled laborers shall receive 1 kg of rice each if they fulfill their labor norms. Skilled laborers doing work in their special fields shall receive 1.2-1.5 kg of rice, the price of which will be set according to the state-directed price of rice sold to cadres, workers, and civil servants in the areas where these construction sites are located. Agricultural cooperatives and production collectives are responsible for supplying food to people performing corvee labor. They are also responsible for providing members of specialized water conservancy units with food rations equal or larger to those of good members of cooperatives or production collectives.

People doing corvee labor shall be paid allowances for transportation, food during travel, medical care, and injuries or death caused by accidents related to their performance of corvee labor. All expenses for people doing corvee labor shall be charged to the planned budget of the water conservancy projects concerned.

/8918
CSO: 4209/516

ACTIVITIES MARK HO CHI MINH BIRTH ANNIVERSARY

VDP, Other Groups Hold Meetings

OW171710 Hanoi VNA in English 1507 GMT 17 May 86

[Text] Hanoi, 17 May (VNA)--A meeting was held on Thursday by the Vietnam Democratic Party Central Committee and its Hanoi Committee to celebrate the 96ty birth anniversary of President Ho Chi Minh.

Present at the meeting were Nghiem Xuan Yem, general secretary of the VDP Central Committee, and members of the VDP Central Committee and the Hanoi Committee.

An emulation contract was signed at the construction site of the Hoa Binh hydro-electric power plant on Tuesday to accelerate the tempo of building underground projects in honour of the 96th birth anniversary of President Ho Chi Minh and the coming 6th Congress of the Communist Party of Vietnam.

Signatories were representatives of the Vietnam Union of Building Workers, the building company at the Hoa Binh hydro-electric power construction site, the trade union committee of the Soviet Embassy in Vietnam and the Soviet experts at the Hoa Binh construction site.

The 27th tree-planting campaign in southern provinces was launched by the Ministry of Agriculture on Wednesday at the garden of the Ho Chi Minh Museum in the southern coastal province of Thuan Hai in honour of the 96th birth anniversary of President Hp Chi Minh.

Representatives from afforestation units in Thuan Hai and other southern provinces joined in planting trees in the garden.

Thuan Hai has prepared 10.4 million saplings for planting in 1,600 ha of forest in this rainy season.

Museum Inaugurated, Exhibition Opens

OW190859 Hanoi VNA in English 0730 GMT 19 May 86

[Text] Hanoi, 19 May (VNA)--A communist labour day was held here yesterday at the construction site of the Ho Chi Minh Museum in honour of his 96th birth anniversary (15 May). The participants also included members of the diplomatic corps.

The Ho Chi Minh Museum in the southern coastal province of Thuan Hai was inaugurated on 17 May by the Thuan Hai people's committee.

An exhibition on Ho Chi Minh's work and life was opened at the museum of the military zone 9 in Can Tho City in Hau Giang Province in honour of the late president's birthday.

Also on this occasion, the province has film shows, talks and symposiums on President Ho Chi Minh's virtues, life and revolutionary cause.

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CSO: 4200/1045

NGUYEN VAN LINH DELIVERS NEW YEAR ADDRESS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 7 Feb 86 p 1

[New Year Address by Nguyen Van Linh]

[Text] Dear compatriots and beloved fraternal cadres and soldiers,

Cherished youths, teenagers and children,

Spring of the Year of the Tiger (1986) has reached us. This is the 11th spring since the city and the entire south were totally liberated, and the south and north were reunited under one roof.

The passing of the Year of the Ox (1985) leaves us with many profound impressions of months and days in which the entire city concentrated 10 years of effort to promote many revolutionary action movements among all circles, age groups, sectors and echelons to commemorate 30 April and other heroic and historic dates of the nation. Under the leadership, guidance and supervision of the central government and by association and joint enterprise within the area and with fraternal provinces and cities throughout the country, our city has actively and creatively risen to achieve new heights in many fields of economic, cultural, social, security and national defense activity, and has closely coordinated construction with transformation, construction being the primary component. The city has extremely confidently and enthusiastically welcomed the new resolutions of the party and is happy over the large and small achievements made in resolute and extremely difficult and complex struggle. During every upward step of the city, the Party Central Committee, Government and compatriots of the entire nation increasingly trusted and cherished the party organization and people of the city.

Regrettably, during the fast few months of the year, mistakes and shortcomings, especially in prices and currency, caused much damage to production and life. Enemies of the revolution made efforts to exploit this situation, causing us additional difficulties. Leadership agencies of the party and the most powerful agencies of the state severely criticized these mistakes and shortcomings. I also, on behalf of the Municipal Party Committee and Municipal People's Committee, must sincerely accept part of the responsibility; despite many efforts made to remove and correct the discrepancies and mistakes, we have still been unable to lessen to a great extent the consequences that the city must bear.

The Party Committee, People's Committee and Fatherland Front Committee of the city warmly applaud and praise the party members, cadres, soldiers and compatriots from all circles who have calmly and unanimously cooperated with all levels of the party, government and Fatherland Front to promote production, to practice conservation, and to actively struggle on the price front to resist speculation, hoarding and the enemy's psychological warfare.

Dear beloved compatriots, cadres and men,

With the arrival of the lunar new year, we increasingly recall Uncles Ho and Ton, and especially in the present situation, cannot help recalling the teachings of Uncle Ho:

> Easy ten times and unsuccessful, the people endure,
> Difficult a hundred times, the people deliberate and complete.

More than ever before, the party members, cadres and men must uphold a spirit of wholehearted service to the people, truly respect the collective ownership rights of the laboring people, and depend on and straightforwardly talk with their compatriots to join in overcoming every difficulty and challenge for no greater objective than a warm and full life and the happiness of today and that of our children in the future.

In the waning hours and minutes of the old year and the beginning of the new year, our most loving and precious feelings are directed to the compatriots and soldiers confronting the enemy on the northern frontier of the fatherland, and the cadres and men, including sons from our city, who are gloriously fulfilling a noble international obligation on the soil of a fraternal country.

On this occasion, I wish to represent the Municipal Party Committee, Municipal People's Committee and Municipal Fatherland Front in extending warm New Year's greetings and wishes for good health to the mature and experienced revolutionaries, retired cadres and elderly; and New Year's greeting and wishes for new victories to workers, farmers, revolutionary intellectuals, laborers, cadres and men of the armed forces, assault youth, wounded and sick soldiers, families of dead heroes, families of soldiers, families with merit in the revolution, religious compatriots, laborers of Chinese descent, and those Vietnamese in foreign countries who are temporarily far from the fatherland and the city. Joyful and beautiful days of spring are wished for the youths, teenagers and children.

Our city is another year older; illuminated and exhorted by the resolutions of the party and with new determination, we will surely make many new achievements to welcome the Sixth Party Congress and to build a new spring season for the Vietnamese fatherland and the city bearing the name of Ho Chi Minh.

My warm and deepest regards.

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CSO: 4209/517

PARTY ACTIVITIES AND GOVERNMENT VIETNAM

BRIEFS

ADVANCED POLITICAL TRAINING--The party school system of Quang Ninh Province has gradually been improving and was quite successful in its political theory courses. Of all the provincial party organization, 89.4 percent completed the general political theory program, including over 1,000 persons who graduated from an intermediary course and subsequently served their units very efficiently with the newly acquired knowledge. Confronted with the new tasks in the twofold mission of building and protecting the fatherland in the northeast coal and electricity industrial zone, facing directly the enemy's multifaceted subversive war, Quang Ninh has placed training of key cadres and providing them with sufficient professional skills and good quality at the top of its agenda. With the assistance of the Zone I Central Propaganda and Training School, the province recently opened an advanced Marxist-Leninist theory course for incumbent cadres. This was the first course of this kind, gathering 80 male and female cadres occupying key positions in party and government organizations, sectors, districts, and towns in the mine region. The 3-year course was taught in two sessions each year during which students were assembled. The curriculum consisted of normal political subjects, except that this course explored in depth two specialized items: the international workers movement, and scientific communism. It was designed to assist the student in applying the principles of concrete analysis, in enhancing their faculties in ideological perception, and in better understanding our party's policies, and to apply this knowledge in their day-to-day leadership actions. [Text] [Hanoi NHAN DAN in Vietnamese 24 Feb 86 pp 1, 4] 9458/12781

CSO: 4209/390

ECONOMIC PLANNING, TRADE, AND FINANCE

VIETNAM

MILITARY STUDENT'S POEM COMPLAINS ABOUT HIGH PRICES

Hanoi QUAN DOI NHAN DAN in Vietnamese 1 Apr 86 p 2

[Poem by Ra Da (Radar): "Divide...Equally"]

[Text] Seeing goods arrive at the school(*)
Students dread the tobacco, sugar, soap
Mildewed tobacco is four dong a pack
Who could pay the high price for gold sugar?
They try to determine how to get latherless toothpaste
Without buying it.
The month subsidies suddenly stopped
Money was short, debts accumulated every day.
Students keep asking why,
"Dividing goods equally," no one takes care of
Inspecting for mistakes?

(*) At Officer School T.

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CSO: 4209/492

STATE BANK OFFERS INSURANCE, ANNOUNCES NEW SAVINGS PLAN

Hanoi QUAN DOI NHAN DAN in Vietnamese 2 Apr 86 pp 1,4

[Article by Pham Uyen: "Insuring Savings; Popularizing the formula, 'Limited-term Savings Earn Interest, Are Insured'"]

[Text] In circumstances of many fluctuations in the economy, for the immediate future, with the aim of protecting the rights of depositors, engendering trust and confidence, and motivating the people to enthusiastically continue to deposit unused funds in socialist savings accounts in order to increase sources of credit, increase cash income, and reduce pressures on market prices and commodities, based on Resolution No. 31 of the Council of Ministers, dated 28 March 1986, setting the policy on insuring the value of money deposited, the state bank is instituting, effective 1 April 1986, insurance on the value of savings deposits by returning an additional incentive interest of 2 percent monthly for all savings deposits currently in effect. Non-term savings with interest, including fixed savings certificates, now earn 4 percent monthly; 3-year term savings certificates now earn 4.5 percent interest monthly; 5-year term savings now receive 5 percent interest monthly, compounded monthly on the balance of the saving account.

The state bank has also announced new types of interest-bearing and insured accounts with a 6-month maturity and a 12-month maturity. These savings receive interest according to a basic, fixed interest rate. The interest on 6-month term savings is .5 percent per month; that on 12-month accounts is 1 percent per month. Additionally, the value of these savings is insured via a paddy conversion at the price paid by the state other than in two-way contracts in provinces, municipalities, and special zones at the time of deposit; when money is withdrawn, it is returned in an amount proportionate to the volume of paddy recorded in the savings account at the price at the time of settlement.

If persons making deposits according to this formula need to withdraw funds before the term, they receive interest only at the rate of interest-bearing, non-term savings, without receiving the incentive interest and without insurance.

The state bank will improve organization to insure service to customers depositing and withdrawing savings.

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NHAN DAN ON ENTERPRISES' PLANNING AUTONOMY

BK100408 Hanoi Domestic Service in Vietnamese 2300 GMT 8 May 86

[NHAN DAN 9 May editorial: "Guarantee State-Run Economic Establishments' Right to Autonomy in Planning"]

[Text] Enterprises are the cells of the state-run economic component and of the national economy in general. The strength of the state-run economy's leadership over other economic components in the transitional period toward socialism depends mainly on the development and efficiency of production and business activities of enterprises. The party Central Committee Political Bureau has issued a draft resolution on the basic economic units' right to autonomy in production and business, wherein the right to autonomy in planning is clearly defined. State-run economic establishments--which are enterprises, combined enterprises, scientific production associations, state farms, state forests, corporations, and stores of the industrial, agricultural, forestry, fishery, construction and assembling, communication and transportation, trade, tourism, and service sectors and are generally known as enterprises--fall under the ownership of the entire people and are entrusted by the state with the right to use part of the means of production and to carry out production and business according to plan in the interests of the entire country, the collective, and the laboring people.

Planning is the central link of economic management and enterprise management. This is a special characteristic as well as the important superior character of the socialist economy. Through planning, all of the enterprise's activities are conducted according to plan, thus ensuring the planned, coordinated, and uniform development of the national economy. The enterprise's plans for production and business must be an integral part of the plans of the sector and the locality as well as of the plan for the entire national economy. The plans of an enterprise must be formulated on a firm scientific and realistic basis and carried out satisfactorily; and this constitutes an indispensable condition for ensuring the quality of the plan of the enterprise's higher echelon as well as of the plan of the entire country. Therefore, the plans of an enterprise must be formulated on the basis of the targets, orientations, and tasks of the state plan, on economic-technical norms, on the findings of market surveys, and on the exploitation of the various sources of capabilities through economic contracts.

The enterprise's plans must embody the contents of the three revolutions; and socioeconomically, they must encompass all the links of the social reproduction process. For the production and construction sectors, they must closely combine the supply of materials with production and consumption; and for the transportation, distribution and circulation, and service sector, they must link the supply of materials with business operations.

Such plans must also balance the various factors of the process of production and business in terms of both products and value; and therefore, they must be formulated by the enterprise itself under the guidance and supervision of a higher-echelon managerial organ.

The Political Bureau's draft resolution asserts the fundamental principle that the guaranteeing of the basic units' right to autonomy must be aimed at shifting the enterprises' operations to economic accounting and socialist business on the basis of using planning as the central link. First of all, all production, business, and social activities of an enterprise--regardless of its sources of material supplies, including those obtained for the production of items not originally planned for--must be consistently reflected in its 5-year and annual production, technical, financial, and social plans. Based on the guidance given by the directly higher-echelon managerial organ--the responsible organ--and on the capabilities for the supply of materials from various sources and for the consumption of products--as reflected by orders for goods and economic contracts--the enterprise takes the initiative in formulating its own plans and submit them to the responsible organ for consideration and approval. The responsible organ must inform the enterprise at an early date of planning indices, the main materials and services to be provided, the designated supply and service organizations that will sign contracts with the enterprise, the various economic-technical norms and standards, the state's various incentive policies, and economic-technical information to help the enterprise take a firm initiative in the formulation of plans.

An important aspect of the renovation of planning work that is designed to broaden the enterprise's right to autonomy in production and business is the reduction of legal norms from five to three. Depending on the actual production and business of each type of enterprise and its type of goods, the next higher managerial organ will assign from one to three of the following legal norms to each enterprise: the value of realized output, including export value if applicable; the quantity of main products, complete with specifications and quality standards destined for consumption according to plans and contracts, with the part for national defense and the part for export clearly mentioned if applicable; and the various revenue contributions to the state budget, including profits and other sources of revenues. This is one of the very important changes in enterprise management and in the economic concept of our party and state.

Thus, the state realizes enterprise production and business planning both directly--through the assignment of legal norms--and indirectly--through the various systems and policies designed to encourage the enterprises to procure additional supplies by themselves and find additional customers for the purpose of developing their own production and business operations. As a result of this practice enterprises now have consistent plans for production and business, and the situation whereby production and business activities could be conducted either under the plan or outside the plan is gone.

The norms for production costs and supplies are not legal norms; but in order to ensure full contribution of revenues as established, constantly increase the various funds of the enterprise, and carry out economic accounting and socialist business satisfactorily, the enterprise must strive to increase labor productivity, reduce the rate of material usage, and lower production costs. We believe that in exercising their right to autonomy in planning as presented above, the state-run enterprises will take a new step forward in management and step up their production and business with high efficiency.

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CSO: 4209/516

BRIEFS

ITEMS OWED VETERAN'S FAMILIES--In the early 1970's, the authorities and management board of Hong Hung Cooperative (Tu Loc District, Hai Hung Province), instituted a policy of selling 5,000 type-1 bricks on a priority basis at the price of .05 dong per brick to families in the cooperative who had survived veterans killed in action. Nearly all survivors of veterans paid money and were only waiting for the bricks to come out of the kiln. But more than 10 years have passed, and only a few families that contain cadres of the cooperative or skillful manipulators have gotten bricks, while the majority are still waiting. The cooperative also owes tens of thousands of bricks to other cooperative members besides survivors of veterans. The same situation exists with tiles. Meanwhile, the brick and tile kiln of the cooperative continues to operate normally, and who knows what happens to the bricks and tiles? It is a serious contradiction that whenever a member family owes grain or food products to the cooperative, they are fined 30 percent the following year, but nothing is said by the village or cooperative when the cooperative has owed bricks for over 10 years. I suggest that the authorities and management board of Hong Hung Cooperative should find the means to immediately turn over the bricks and tiles still owed to surviving families of fallen veterans and other villagers, or refund the money paid for the bricks at current value. [Text] [Article by Anh Hieu] [Hanoi QUAN DOI NHAN DAN in Vietnamese 1 Apr 86 p 2] 9830

CSO: 4209/492

PAPER REPORTS ON DEVELOPMENT OF RUBBER AGRICULTURE, INDUSTRY

Hanoi NHAN DAN in Vietnamese 24 Feb 86 p 2

[Article by Prof Nguyen Tran Trong, of the National School of Economics: "The Rubber Sector Makes a New Stride Forward"]

[Text] Carrying out the resolution of the Fifth Plenum and other resolutions of the CPV Central Committee, the rubber sector has made tremendous efforts, overcome scores of difficulties, and boosted the production of this valuable agricultural product. In the first place, the Rubber General Department has instructed corporations and farms to directly detect and destroy leftover bombs and mines, to restore destroyed rubber-planting areas and step-by-step, to reorganize production in the two vital regions of eastern Nam Bo and the high plateaus.

In the past 10 years, primarily in the 1981-85 5-year plan, the sector has used a more adequate method and a homogeneous plan in its exploitation activities, namely, concentrated investments, intensive cultivation, and protection provided millions of old rubber trees that were brought back to gum exploitation. The sector was pretty successful in building basic units, in making itself ready to accommodate new workers, and in transferring its workers to new exploitation zones as planned. Due to the gradual improvement of living conditions of rubber workers and appropriate measures to stimulate production, chiefly through unambiguous product-contracting arrangements, workers were able to take good care of the trees on assigned lots, and could concurrently plant alternate cash crops, food plants, or other vegetables and secondary crops under the rubber canopy, raising their family income and stabilizing their lives. It was also the policy of the Rubber General Department to encourage armed forces units to participate in economic activities, and the department has mobilized thousands of servicemen to work at rubber farms.

While visiting the new rubber farms of Xa Bang, Cu Bi, and Cam Duong of the Dong Nai Rubber Corp., and agricultural farms of the Phuoc Hoa, Dau Tieng, Binh Long, and Loc Ninh Rubber Corp., I observed rapid changes. What had been empty and desolate mountains tracts of land 4 or 5 years ago have taken the shape of rubber farms with tens of thousands of laborers, supported by numerous production and community welfare facilities: schools, children's houses, kindergartens, dispensaries, warehouses, stores, and internal communications systems supporting production. Although much had to be done in terms of living quarters, the new method of working together enabled the rubber farms and corporations to create an enthusiastic atmosphere that made workers feel closely associated to their production work.

Recently, the rubber sector has focused its efforts in gum processing. Just a few years back, thousands of tons of gum were left unused because of the inability to process the material, primarily at the Dong Nai, Quang Loi, and Binh Long Corp. To overcome gum bottleneck, the state has, on the one hand, allowed the import of additional processing machines and, on the other hand, in cooperation with the engineering sector, the Rubber General Department has produced additional cutting machines and vulcanizers, and repaired in a timely manner electrical generator units at the Dong Nai, Tay Ninh, and Quang Loi Corp. in order to increase the sector's processing capabilities. Due to the extensive implementation of those measures, all corporations have recently been able to follow through the completion of production plans. Efficient measures for the delivery of all the products to central agencies raise the quality of rubber in support of export and the domestic processing industry.

In parallel with the exploitation of existing rubber trees, planting new trees on extensive areas has been pretty well prepared by production units with the purpose of associating new planting with the application of technical measures for intensive cultivation right at the outset. Those dispositions allowed the whole process, from clearing land to planting new trees, to be executed in accordance with the sector's technical specifications. The Institute for Rubber Research is gradually improving itself and works closely with rubber plantations and nursery farms to do research on creating new mixed varieties, to select, multiply, and produce some good rubber types with high yield, and to supply those young plants to production units.

Due to adequate measures in the fields of production organization, taking seriously the time factor, industriousness of workers, adequate investments, and application of science and technology in production and production development, the Rubber General Department was able to speed up the planting of new trees, which hit the mark of 25,000 to 30,000 hectares per year, while in previous years, the total was from 3,500 to 4,000 hectares. Many corporations and farms raced against time to plant new trees, and applied technical progress in creating nurseries to obtain young plants for staggered planting in order to coordinate the use of labor and take advantage of favorable weather conditions. Just a short time ago, few new rubber plantations met the norms as intensive cultivation models. Now, many of those were brought into production after only 5 years (basic technical phase), shortening the regular time by 1 year, and their production organization also developed swiftly. From a total of 1 rubber corporation and 6 farms, the numbers rise now to 18 corporations and 128 rubber farms directly under the jurisdiction of the general department, plus 6 other farms under local management.

The 1981-85 5-year plan to carry out economic accords signed with other brotherly countries show notable results. Closing the first phase of the implementation of the Soviet-Vietnamese cooperation accord to plant rubber trees, corporations have planted an additional 50,864 hectares, surpassing the plan by 1.7 percent. As of 1985, the Phuoc Hoa Corp. has planted 10,323 hectares, exceeding by 3.2 percent the first phase of the Vietnamese-Bulgarian cooperation accord to plant rubber trees. The same corporation has also begun the execution of other cooperation accords between Vietnam and the GDR, Czechoslovakia, and Poland.

The following valuable experience may be learned from realities of the rubber sector:

First, the provinces of Dong Nai, Song Be, Tay Ninh, Dac Lac, and Gia Lai-Kontum possess favorable natural conditions, and quite a large amount of good land for the planting of rubber trees. Since we have abundant national labor resources, if investments in depth and intensive cultivation can be used to exploit those land resources, the opening of 600,000 hectares of new planting areas and establishing specialized rubber plantations of high yield in eastern Nam Bo and western high plateaus producing annually 1 million tons of dried gum, should be a major objective. In order to gradually reach it we ought to make the system of linkages and joint ventures between the sector and localities and between the central and local levels extremely important. All parties should be able to discuss the issues democratically and work cooperatively, and each party must consider its own responsibility to strive for the development of a stronger rubber industry for the nation as well as for the locality. Districts, rubber corporations, villages, and rubber farms will coordinate in all economic and organizational fields, formulate concrete plans, and delineate execution phases. All those coordinative efforts will contribute to the development of a consolidated strength in expanding the rubber plantations.

Second, in carrying out the "self-dependency and self-strengthening" motto, in efficiently using state investments, and in rapidly and inexpensively establishing good rubber plantations, many corporations and farms have changed their ways of thinking and doing, abolished their overdependency on the state, enhanced the spirit of collective ownership in production and the awareness of workers and citizens, and carried out encouragement policies to mobilize land and labor for production.

Third, from the experience learned by rubber corporations in production and management, the most salient and meaningful issue that has a strong bearing on the present building of rubber farms, and on vigorous development of the rubber industry, is the ingenious application of economic leverage policies, and the integration of the triple interests of the state, the enterprise, and the worker that stimulate everyone in enthusiastically participating in production and raising labor productivity. Almost all corporations and farms carried out the motto, "Use short-range projects to foster the longer ones," and everywhere, people used the optimum land not yet ready for rubber planting to plant coffee, black pepper, and other cash crops. Those endeavors not only reduced state investments, but also developed the spirit of initiative, improved the workers' skills, and practiced the principle of economy for the sake of the state, the enterprise, and the worker.

Fourth, the rubber sector has stepped up its basic surveys on soil, water supply, and weather conditions used in expediting the formulation of its projects and plans. On the basis of those plans, steady steps forward will be decided, integrating short-term with long-range projects, manual operations with machinery, rudimentary with modern means, large-scale with intermediate and small-scale operations, delineating central tasks, compartmenting key projects or regions, and concentrating time and means to complete each portion, gradually turning rubber plantations into agricultural and industrial economic centers, developing export sectors, and improving the laborers' living conditions.

Fifth, old small and scattered rubber plantations have been used as the foundation for the establishment of specialized, concentrated, and large-scale production regions by the rubber industry which knew how to take advantage of the local built-in potential (state-run and collective production units), and of the state's investments and support to formulate its own economic and social development plan.

For the years to come, the rubber sector has planned for the application of technical progress in intensive rubber cultivation. In order to steadily increase the rubber output, its major direction of efforts will be the selection of good varieties giving high yield, the application of technical measures in the creation of plantations, ensuring the uniformity of the trees, the shortening of capital construction time, the application of technical progress in the use of fertilizers and in the prevention and treatment of tree diseases, and the improvement of gum-gathering techniques. Meanwhile, it will study and apply modern techniques in the preliminary processing and quality control of rubber.

Expanding the rubber planting areas actually requires many different tasks and efficient cooperative effort between sectors and localities. At present, since new planting areas at corporations and farms are relatively small, those organizations may rely on existing organizational and production experience and on party and government policies, to gradually expand the planting areas. As regards new organizations with large-scale projects, implementation must be homogeneous. That means that the Rubber General Department not only must be concerned with the use of the sector's capital and material supplies with high production and business efficiency, but has also to achieve close coordination between the sector and localities, between the central and local levels, and between central-level agencies in campaigning for: "The state and the people work together; the central and local levels work together," in order to create favorable conditions to speed up the planting of new areas, and the construction of infrastructure facilities, reducing state investments. In rubber regions, the construction of infrastructure facilities has become an urgent need, indispensable for production development and for enhancing the laborers' material and moral living conditions. The first tasks are to mobilize all available manpower to clear the land, plant new trees, and build living quarters and other facilities in support of social life and production.

The Rubber General Department has associated new planting with economic accounting, and with product contracting with production groups based on product quantity and quality. It has also linked the setting of norms to economic and organizational measures with emphasis on wage payment based on end-product contracting, and on the adequate use of bonuses and penalties in order to protect the interests of the laborers, the collective, and the state. The above is the essence of labor and economic management work that will address the new needs in the development of the rubber industry of Vietnam.

9458/12781
CSO: 4209/390

CHANGES MADE IN THAI THUY DISTRICT FISHING INDUSTRY

Hanoi QUAN DOI NHAN DAN in Vietnamese 2 Apr 86 p3

[Article by Ha Binh]

[Text] Thai Thuy, A coastal, delta district in Thai Binh Province, has 25 km of coastline, the mouths of three rivers (the Thai Binh, the Diem Dien, and the Tra Ly), and nearly 2,000 hectares of land in tidal zones. District-wide, there are 6 villages with about 3,000 workers who specialize in catching, culturing, or processing marine products.

Since 1959-1960, when fishermen of Thai Thuy adopted the collective way of life, fishing products have increased and life has improved. Fish production declined during the years of resistance in the war of destruction waged by the American imperialists (1966-1972). It has gradually developed since then and has reached the productivity milestone of 3 tons per man-year. Over the period 1976-1980, due partly to a bureacratic centralism and state subsidies system of management and partly to lax guidance, the direction taken by production and business lacked stability, and the structure of the fishing industry was inappropriate, with the result that fishing declined in Thai Thuy. Only 50-55 percent was achieved in fish caught, and only 40-45 percent of the catch was sold to the state. Labor productivity was very low--only .8 tons per man-year. The results were that product value did not compensate for production costs, business was run at a loss, debts accumulated daily for the state, and the unity and confidence of cooperative members eroded internally.

In the face of an urgent demand for developing production and the need to raise the people's standard of living, in order to exploit the potential of a coastal, delta district, the economic development structure of Thai Thuy was established as a combination of agriculture, fishing, and small industry. More attention was given to organizing the ocean fishing industry on the district scope.

The fishing industry was put on a planning basis right from 1981, and this served as a foundation for bringing the production direction and the structure of the industry into line with the capabilities, strengths, and production experience of each cooperative. The use of lantern nets was reduced from 47 operations to 27 (in 1985), small industry trail net operations were preserved, 4 more large, 135-140 horsepower trawler units were developed, the shrimp export industry was developed by using single, steel trail nets in concrete-hull boats with 22-23 horsepower engines in conjunction with sails, and the use of trinal sweep nets to catch shrimp was expanded. In addition to fishing, Thai Thuy also made aggressive use of various waterways to stock and raise shrimp in many appropriate forms, such as raising shrimp alone, or combining shrimp-culture with producing salt, rice, and reeds. Utilizing the regulations published by the state on marine product cooperatives based on concrete local circumstances, the district brought the scale of production in installations into line with the capability of cadres to provide management and guidance. In 1985, the district reorganized six fishing cooperatives into nine. Each cooperative was on the scale of 100-150 workers, and cooperatives dismissed more than 100 persons who no longer met prerequisites for cooperative membership and gradually stopped the practice of recruiting members out of balance with the development of fishing equipment. Cooperatives arranged for more than 150 women workers to transfer to small industry, reducing hardship for their families and cutting overhead for the fishing cooperatives. Profit distribution among province, district, and cooperative improved, creating close ties between sectors and territories and gradually insuring balance among the three profits--that of the state, that of the cooperative, and that of the worker.

Apart from cooperatives that specialize in fishing, Thai Thuy has more than 1,000 workers who are independent fishermen, handicapped retirees, surplus labor in cooperatives, salt and transportation workers, and workers unoccupied in the production cycle of agricultural cooperatives who are knowlegeable about the fishing industry. This force can also be organized into production collectives or production teams of agricultural cooperatives. This gives them income, while it also gives the state product control and increases income for the budget, contributing to stronger production relations in the fishing industry of the locality.

In conjunction with reorganizing production, Thai Thuy also considered it important to appoint and train cadres in fish production installations. Party chapters stepped up the conduct of criticism and self-criticism and promptly disciplined party members that had become degenerate and deviant (gambling, drinking, etc.). Efforts were redoubled to develop and train young, healthy workers of high quality and technical skills to supplement the ranks of management and leadership cadres.

Due to these actions, there have been some encouraging changes in the Thai Thuy fishing industry since 1981: catch yields changed from 973 tons in 1981 to 5,200 tons in 1985; the volume purchased by the state was 563 tons in 1981, and in 1985, in spite of problems with weather and the seasons, Thai Thuy turned over nearly 2,000 tons to the state, meeting the planned target by 126 percent. There have also been export goods: 32 tons in 1984 and 70 tons in 1985. Labor productivity rose from .8 tons in 1981 to 1.2 tons in 1985. Funds contributed to the state budget as well as accumulations for the cooperatives and average income per worker all increased yearly, and the standard of living constantly improved for cooperative members. By the end of 1985, 9 fishing cooperatives of Thai Thuy had bank balances of about 4.3 million dong, while the value of fixed assets had risen to 10.8 million dong.

In carrying out the 5-year plan of 1986-1990, Thai Thuy is striving to achieve a total output of 5,500 to 10,000 tons, including 250 to 500 tons of export shrimp, with a fishing productivity of 4.5 to 5 tons per man-year in ocean catch and using 600 to 800 hectares to raise brackish-water fish and 600-700 hectares to culture fresh-water fish.

To reach these goals, Thai Thuy is concentrating every effort on exploiting water and manpower potential and on continuing regulation on the scale of the cooperative, at the same time establishing a number of specialized and semi-specialized cooperatives as well as forming production collectives and production teams specializing in fish production in salt, small-industry, agricultural, and transportation cooperatives. On the other hand, Thai Thuy also considers it important to invest in more installations that provide materials and service to the efforts to catch ocean fish and culture fresh-water and brackish-water marine products. In addition to production, the district is stepping up the processing of marine products for domestic use and export, is continuing to renovate management, is perfecting the system of contracting with each vessel unit, and is constantly improving technology and using technical advances to increase production, quality, and effectiveness of the fishing industry and help promote fast development in the local economy.

9830
CSO: 4209/492

HANOI REPORTS ON RICE HARVESTING, INSECT INFESTATION

BK111447 Hanoi Domestic Service in Vietnamese 1100 GMT 10 May 86

[Text] According to figures provided by the Statistics General Department, as of 5 May localities had harvested nearly 668,000 hectares of rice. The pace of rice harvesting is 6 percent faster than in the same period last year. Thanks to their speedy rice harvesting, provinces in the Mekong River Delta have harvested over 490,000 hectares or 10 percent more than in the same peirod last year.

In the north, rice is now in full bloom. In many localities, rice has grown ears in 50 percent of the sown areas. Particularly in Binh Tri Thien and Nghe Tinh, the period of rice growing ears is over and some localities have begun to harvest.

At present, localities continue to concentrate on eradicating insects and blight to protect rice. Insects and blight have continued to develop rapidly, and the rice area affected is nearly 200,000 hectares, an increase of 150,000 hectares over that in the previous 10-day period. Localities with large rice areas affected by insects and blight are Ha Nam Ninh, 50,000 hectares; Thai Binh, 27,000 hectares; and Thanh Hoa, 26,000 hectares.

Recent rains have helped eliminate the problem of drought. However, in certain localities, heavy rains have caused waterlogging to rice and subsidiary food crops. In Nghe Tinh, more than 3,500 hectares of rice and nearly 3,800 hectares of subsidiary food crops--including sweet potatoes and peanuts--have been waterlogged. In Thanh Hoa, over 500 hectares of rice and 1,400 hectares of subsidiary food crops have been affected by waterlogging. In many other localities, waterloggings has also been reported, but only on a small scale.

Efforts to carry out summer-fall and 10th-month crop production are now being urgently made by various localities. As for the southern provinces, they are embarking on summer-fall crop production while cultivating subsidiary food crops.

With regard to this year's summer-fall rice crop, the pace of its cultivation is slow. As of 5 May, the area of plowed land was only 520,000 hectares or 95 percent of that in the same period last year, and the area planted with summer-fall rice had reached only 155,000 hectares or 62 percent of that in the same period in 1985.

In order to attain this year's target of 910,000 hectares of summer-fall rice--including 810,000 hectares in the southern provinces--an increase of over 41,000 hectares over the preceding year's summer-fall crop--localities are required to urgently exert efforts to step up the pace of summer-fall crop production.

The cultivation of vegetables, subsidiary food crops, and industrial crops has also been carried out urgently. Concerning subsidiary food crops, the cultivation pace in the country is slow: only nearly 3,700 hectares have been planted so far, or 52 percent of that in the same period last year. The southern provinces have been able to attain 51 percent as compared with 1985. As for vegetables, legumes, and industrial corps, the pace of cultivation in this summer-fall sowing season is much faster: the vegetable and legume area doubled that of last year, while the industrial crop area represented a 40-percent increase over the same period last year.

In the north, localities are embarking on the sowing of rice seedlings for use in the 10-month crop and the sowing pace is faster than last year. As of 5 May, they had sowed over 3,200 hectares of rice seedlings or 130 percent of that in the same period last year. Northern localities are concentrating on combating insects and blight to protect their rice. As for those localities having waterlogged rice or subsidiary food crop areas, they must take urgent steps to fight waterlogging in order to protect rice and subsidiary food crops while concentrating on providing good guidance for soil preparation as well as for the sowing of 10th-month rice seedlings in order to ensure production plans and schedules are observed. As for the southern localities, efforts must be concentrated on quickly harvesting winter-spring rice, especially accelerating the planting of the summer-fall rice, in order to ensure the attainment of planned targets and the best sowing schedule for summer-fall rice.

/8918
CSO: 4209/516

VNA REVIEWS AFFORESTATION IN SOUTH SINCE 1975

OW120957 Hanoi VNA in English 0705 GMT 12 May 86

[Text] Hanoi, 12 May (VNA)--In the ten years since the complete liberation of South Vietnam, aside from actively mobilized their capital and work force for reafforestation, millions of hectares of forests have been planted everywhere. [as received]

From 1976 to 1985, 1,015,950 hectares of forests were planted in the whole country, expanding the average annual afforestation area from 17,200 ha to 101,600 ha, a six-fold increase over the previous years.

These figures do not include billions of scattered trees. With these results, many wild or submerged salty areas have been regreened.

Those results are significant in terms of supply of timber, firewood and raw materials for export handicraft products as well as of soil transformation, crop protection, and creation of an ecological balance.

Besides planting more than 20,000 hectares of forests in coastal areas, creating a series of forestry-fishery farms, the people have given Ho Chi Minh City a girdle of forests which will give the city new landscapes and a considerable source of timber and firewood in the coming years.

Travellers who drove along national highway H1 in the first days after liberation and national reunification could see vast sand dunes littered with artillery shells, barbed wire entanglements, fortifications and other vestiges of war on either side of the road.

Today, as they drive along the same highway, their eyes will meet with the fresh greenness of eucalyptus trees, sea pines, fruit trees and rice paddies. Binh Duong Village, south of Da Nang, had only one tree left after liberation. Now it boasts tens of millions of trees among rebuilt hamlets.

Thanks to afforestation, people in central coastal provinces have got timber and firewood and tens of thousands of sand dunes have been turned into rice, maize, cassava or potato fields and fruit-laden orchards. In submerged salty areas of Nam Bo (formerly Cochin-China) besides zoning for crop and cattle farming, each province has planted tens of thousands of hectares of forests and scattered trees.

/9274
CSO: 4200/1012

BRIEFS

RICE ACREAGE TO INCREASE--Hanoi, 10 May (VNA)--The summer-autumn rice acreage across the country this year is expected to reach 91,000 hectares, or 51,980 hectares more than last year. The summer-autumn rice acreage in the southern provinces will be 810,000 hectares, up by 41,250 hectares over the last crop. The central province of Nghe Tinh and the southernmost province of Minh Hai plan to put 30,000-60,000 ha under the summer-autumn rice crop this year, up by 20,000-22,000 ha over last year. The southern provinces of An Giang and Ben Tre have used short-term, high-yielding rice varieties such as IRP 433 and IR 121 and prepared 28,500 tons of chemical fertilizer and 186 tons of insecticide for 125,000 ha of the summer-autumn rice crop. [Text] [Hanoi VNA in English 0720 GMT 10 May 86 OW] /9274

AGRICULTURAL COOPERATIVIZATION--Hanoi, 17 May (VNA)--Agricultural cooperativization has been basically completed in the southern part of Vietnam, chiefly in the "rice granary" which is the Mekong River Delta. More than 364,000 hectares of land have been redistributed to more than 400,000 peasant households. Farmers have been organized into production collectives or agricultural cooperatives, each cultivating an average of 30 hectares in double-cropped areas and about 70 hectares in single-cropped areas, each horticultural collective or co-op has around 20 hectares of vegetables. In the current drive to upgrade the production collectives to a higher level of cooperativization, three or four of them will form a single managerial board to look after an acreage of about 200-300 hectares. [Text] [Hanoi VNA in English 0717 GMT 17 May 86 OW] /9274

CSO: 4200/1045

TRANSPORTATION AND COMMUNICATIONS VIETNAM

BRIEFS

KIEN GIANG PROVINCE BRIDGE--Hanoi, 10 May (VNA)--A ferro-concrete bridge over the Chac Bang Canal in the southern province of Kien Giang has been opened to traffic, thus shortening the way from the Kien Giang to Minh Hai provincial capitals by 150 kilometres. The population of Vinh Thuan District, where the bridge is situated, had contributed more than 20,000 work days to moving 12,000 cubic metres of earth and rocks to build this 63-metre-long bridge. [Text] [Hanoi VNA in English 0711 GMT 10 May 86 OW] /9274

CSO: 4200/1045

VNA LAUDS HO CHI MINH AS 'TALENTED EDUCATOR'

OW190851 Hanoi VNA in English 0706 GMT 19 May 86

["President Ho Chi Minh a Talented Educator of Vietnam"--VNA headline]

[Text] Hanoi, 19 May (VNA)--After the successful August revolution of 1945, Vietnam was faced with innumerable difficulties [in] natural disasters, foreign aggression, famine and illiteracy.

The newly-fledged armed forces were still poorly armed and equipped. Under the pretext of disarming the Japanese fascists, allied troops poured into Vietnam in an attempt to destroy the revolutionary gains and rob the Vietnamese people of their natural wealth. In the south, the French colonialists started a war of aggression. In 1945, 95 percent of the Vietnamese population were still illiterate.

One day after proclaiming Vietnam's independence (2 September 1945) President Ho Chi Minh set for the people six urgent tasks which later were integrated into three main campaigns against foreign aggression, famine and illiteracy.

The first educational reform got under way in 1950-51. In fact that reform took place earlier when President Ho signed a decree establishing the mass education service under the Ministry of Education. That anti-illiteracy campaign was warmly welcomed by the people. But how could tens of millions of people go to school at the same time? How could tens of thousands of school classes and ten times as many teachers be found at once?

President Ho provided a simple and logical solution to that problem. He proposed that those who knew how to read and write teach those who did not. Everybody, old and young, men and women, workers and employees, was encouraged to learn, at any time of the day and night, anywhere, at home, in the garden, at the market, in the workshop, on the crop field....

The heartening results of the anti-illiteracy campaign and of the educational reform brought visible progress in socialist education, and a big leap forward in national education in Vietnam.

Under the French colonial rule, virtually no members of poor peasant families attended high schools, let alone universities. In the fifties and sixties, many districts set up at least one basic general school including primary, junior and senior high education enrolling children of workers and farmers' families.

Many of them graduated from universities at home or abroad. All that would have been impossible without Uncle Ho's special attention to the educational service, especially to the education of young generations.

/9274
CSO: 4200/1045

HEALTH, EDUCATION, AND WELFARE VIETNAM

BRIEFS

NATIONAL EDUCATIONAL CONFERENCE--Hanoi, 16 May (VNA)--The 3d National Educational Conference took place here from 15-16 May with the participation of more than 400 representatives from various central and local bodies and educational services across the country. The conference heard 21 reports on child psychology, methods of pedagogic organization in teaching and education, methodology of learning and teaching at creches, basic and secondary general education schools, colleges and universities, job-training schools, military education, etc. The conference dealt with the pressing tasks of the educational reform in the coming stage. [Text] [Hanoi VNA in English 1538 GMT 16 May 86 OW] /9274

EDUCATION FOR HANDICAPPED--Hanoi, 17 May (VNA)--The network of education for handicapped children in Ho Chi Minh City has been expanded. The oldest centre is the Nguyen Dinh Chieu General Education School for Blind Children (Nguyen Dinh Chieu is the name of a blind patriot of the south) which accommodates more than 100 children aged from 8 to 18. It was founded in 1977. Other centres, including the centre for rehabilitation of polio-affected children and schools for mentally retarded children at precincts and districts, are attended by some 1,000 children. At these centres the children are given general education in addition to rehabilitation exercises and know-how about light jobs. These centres are run with the collaboration of many scientists and the contributions of the local people, and mass organizations. [Text] [Hanoi VNA in English 0712 GMT 17 May 86 OW] /9274

CSO: 4200/1045

HANOI'S RESETTLEMENT EFFORT DISCUSSED IN INTERVIEW

Hanoi HANOI MOI in Vietnamese 1 Apr 86 p 3

[Interview with Vuong Tuoc, Hanoi New Economy Committee, by an unspecified HANOI MOI correspondent; date and place not specified: "How is the Municipality's Movement of People to New Economic Zones This Year Different from Before?"]

[Text] Question: Tell us something about mobilizing people to go to new economic zones during the past year.

Answer: To realize the municipality's plan norm last year, the New Economy Committee moved 1,285 households and 2,612 laborers to new economic zones. This includes 352 households consisting of 821 laborers from within provincial territory and 923 households consisting of 1,891 laborers from outside the province. If the 400 households outside the plan that went to Lam Dong at the end of 1984 and the beginning of 1985 are included, then 1,685 households went to new economic zones, attaining 125 percent of the plan.

Thus, over 10 years of development, the new economy sector has had 5,700 households with 28,908 people and 16,446 laborers building the new homeland. The strongest emigration movement has been in Phuc Tho District which has moved 267 households, achieving 121 percent of the plan; this includes 110 households which have gone to build new economic zones in the district.

Question: What noteworthy experiences and models were there in 1985? And their effect and effectiveness?

Answer: In previous years, because of initial inexperience in moving people, the local mobilization committee and party committee echelon were not really concerned about the life of the people going to build the new economy. Thus, the people's living conditions were fraught with many difficulties, with no contentment in production and living in the new homeland. Progress in delivering people was slow. There were scattered instances of people leaving provinces they had gone to. Gaining experience, the New Economy Committee together with the local party committee in 1985, in addition to adequately ensuring procedures and policies adequately for families going to build the new economy, first delineated the land on which housing for the people would be built and set up the material base before welcoming the families coming up to live. When people arrive to make full use of the land for growing subsidiary food crops and grain crops, they especially devote attention to the garden economy, only later planting the grain crop. After the state supplies grain for 3 months (plus the garden economy), most of the families have become self-sufficient in grain and, thanks to that, are content in production. The local administration also provides additional assistance to the families with respect to the means of production and raw materials for construction or seeds, etc.

The result is: if in 1984 only two new economic areas had been opened (Thuy An in Ba Vi and Co Dong in Son Tay) and only as production units, by 1985, the Hanoi New Economy Committee, investigating formulation of the economic and technical dialectic while simultaneously delivering people and exploiting production, opened five additional new economic areas within provinces, most of which were cooperatives in the combined agriculture-forestry-industry model. They are:

- The new economy cooperatives of Dong Tram (Me Linh), Dong Do (Soc Son), Dong Mo (Son Tay) and Ha Lam (Dong Anh).

- The Thuy Phuong new economy production unit (Tu Liem).

Most noteworthy is that the Dong Da New Economy Cooperative (Soc Son) has over 1,000 hectares of land, including 116 hectares planted with tea. Some 2,418 hectares of land can be farmed, with 70 to 100 hectares of land serving as pastures for livestock raising and 2 hectares of land having peat. This place has a fairly abundant capability for an agricultural-forestry-industrial economy. The people's living conditions are fine and virtually all the households have their own cattle.

During the past year, new economic zones within provincial confines have opened up 140.54 hectares of new land and acquired 72.47 tons of rice, 7 tons of peanuts and 3.1 tons of dried tobacco. Initially, we strengthened the confidence of the people in new economic zones who came up to produce industrial crops. We planted 39.6 hectares of forest and undertook work on water conservancy projects at the Dong Trang pumping station (Son Tay) and the Doi Coc pumping station (Ba Vi), expecting to irrigate and drain 502 hectares of double-crop rice to reclaim and improve idle fields. Moreover, we also built three village medical aid stations and day nurseries in new economic zones.

The New Economy Committee stresses allocating labor on the spot because it makes full use of the locality's land and quickly greens up barren hills, costs less in transportation expenses, and quickly provides products to Hanoi.

Question: What shortcomings need to be overcome?

Answer: The primary shortcomings last year still were: no concrete, scientific plan on assigning people to go build the new economy, so the transfer of people still bears the nature of a mobilization not law. Most of the population movement norms are based only on one year's plan carried over to the next. The management guidance structure at new economic sites within provincial territory remains weak and inexperienced. Production guidance cadres from the muncipality to the district are still passive and do not meet the requirement for developing and building the new economy. The movement of urban people out to build the new economy is still very low; meanwhile, within the city land is tight, people are teeming and the economy is unstable.

Question: The 1986 norm for moving people to new economic zones equals the last 4 years combined. What is the basis for these norms becoming reality?

Answer: In accordance with the tenor of the new resolution from the central government and the city, the Hanoi New Economy Committee must make a vigorous move in the use and distribution of labor and make full use of the localities' land potential. Specifically, it is striving to move 3,200 households, including 1,600 people and 8,400 laborers, to new economic zones; 1,000 households will go within the province. They will open up 700 hectares of new land and reclaim 300 hectares of idle land. Six more new economic sites will be opened with an area of 12,200 hectares. To do this, the firmest first step still is to determine the area and direction of immediate and long-term production for the emigrant families. Logically delineate the crop structure. Pay attention to the garden economy from the very moment the people arrive and make full use of soil to produce subsidiary food crops and grain crops to ensure self-sufficiency in grain before proceeding to industrial crops.

For new areas of land, the soil quality is usually poor, acidic, saline, or degraded and dried out. To open up new land or reclaim idle land to improve the soil, water conservancy proposals on hilly areas must be specially considered. This year, in addition to striving to complete the Dong Trang and Dong Mo pumping stations, the Hanoi New Economy Committee will complete the design of and build the Hang Can Lake (Me Linh) and a number of other water conservancy projects.

Service, public health, school, and kindergarten efforts supporting the life of the people in economic zones are also being stepped up to give the people peace of mind in production. The New Economy Committee has signed agreements with international aid organizations on rural clean water programs and putting nearly 100 wells under constuction, and building 12 projects, including three village medical aid stations, three day nurseries and kindergartens, three schools and the headquarters of a cooperative.

6915
CSO: 4209/506

POPULATION, CUSTOMS AND CULTURE VIETNAM

BRIEFS

AWARD FOR BUDDHIST DIGNITARY--Hanoi, 9 May (VNA)--The Council of State has awarded the independence order, second class, to the most venerable Thich Don Hau. The most venerable Thich Don Hau, former Presidium member of the Vietnam Fatherland Front Central Committee, former deputy to the National Assembly, the legislature, now deputy head of the Sangha Council of the Vietnam Buddhist Sangha, has made contributions to the building of the unity among the patriotic believers and to the cause of national liberation, construction and defence. The award-presenting ceremony was held in Hue City yesterday in the presence of Nguyen Van Luong, chairman of the Binh Tri Thien Provincial People's Committee, representatives of mass organizations and a great number of Buddhist believers. [Text] [Hanoi VNA in English 1523 GMT 9 May 86 OW] /9274

CSO: 4200/1012

- END -

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Southeast Asia Report

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AUSTRALIA

BROAD LEFT CONFERENCE CRITICIZES HAWKE POLICIES

Sydney THE SYDNEY MORNING HERALD in English 1 Apr 86 p 2

[Article by Keith Martin: "Broad Left Unites To Fight Hawke Line"]

[Text]

Australia's political and industrial Left ended a four-day conference in Sydney yesterday with strong criticism of the Federal Government's economic, industrial, social welfare and land rights policies.

The Broad Left conference, drawn from supporters of the left wing of the ALP and a number of socialist and communist groupings, called into question the future of the ACTU-Government Prices and Incomes Accord unless the Government abided by its "social wage" promises.

The Government's proposal to cut social welfare expenditure by $1.4 billion was the catalyst for this stance.

The Easter conference was the largest gathering of the Left in this country for many years, and its decisions will be difficult for the Hawke Government to ignore, because they were endorsed by a significant number of ALP figures and large unions which contribute heavily to Labor Party funds.

The meeting was designed to unify the Left on the key issues of the day, and many of the 1,600 delegates left the Institute of Technology yesterday believing their efforts were worthwhile.

But the conference also revealed divisions between the Broad Left and the self-styled Left dissidents.

Within half-an-hour of the convention ending, dissident leaders were telling a hastily-convened press conference that the meeting had not gone far enough towards rejecting the Accord, supporting the Builders Labourers' Federation, and setting up a new party of the Left.

Giving the official line, one of the main convenors, Mr George Campbell, assistant national secretary of the Amalgamated Metal Workers' Union, said the key issues on which the Broad Left was critical of the Government were:

- Its broken promise on Aboriginal land rights and its suggested dismantling of Northern Territory land councils.
- The proposed undermining of the social wage by cutting social service spending by $1.4 billion, and reducing Medicare benefits.
- The Government's economic Trilogy of reducing the deficit, no overall increase in taxes, and expenditure growth not to increase as fast as growth in the economy.
- The failure to implement a planned industrial policy to save Australian jobs.
- Tentative Government moves towards privatisation of public utilities.

Mr Campbell said the Left would have to develop an achievable economic policy if it were to counter the "economic rationalists" in the Federal Government and the Public Service.

Asked why the conference had appeared to concentrate on changes within the present capitalist framework, and said little about achieving the goal of socialism, Mr Campbell replied bluntly: "The Left has been calling for socialism for 100 years and we haven't got there yet.

"If socialists are going to take over this country — and I hope that one day we will — we have to learn how to run it first."

During the conference, Mr Laurie Carmichael, national research officer of the Amalgamated Metal Workers' Union, accused the Federal Government of virtually throwing the Accord overboard.

"All that exists is simply an agreement on wage adjustments," he said.

Mr Carmichael was the first influential union official to promote the idea of an accord, before it was taken up by the ACTU and the Labor Party, and his disillusionment was echoed by many at the conference.

Delegates were divided on whether to maintain the Accord, or to ditch it and allow powerful unions to make the wage running in the hope that their gains would flow on to weaker unions.

The conference opposed in principle the Federal legislation which enables the Government to deregister the BLF, but was divided on whether to support the present BLF leadership.

The dissidents had their say at a press conference conducted by the Labor Member for Illawarra, Mr George Petersen, the writer Mr Frank Hardy, the national secretary of the Socialist Workers' Party, Mr Jim Percy, and the secretary of the ACT branch of the BLF, Mr Peter O'Dea.

They said another meeting had been attended by 400 people on Saturday night at Glebe Town Hall, which substantially rejected the composition and agenda of the Broad Left conference.

The meeting had carried resolutions describing the Hawke Government as an alternative capitalist organisation, which because of its links with the trade union movement was able to get away with policies impossible for conservative governments.

Mr Percy said no resolutions were allowed at the Broad Left conference, but he believed that if they had been taken the delegates would have rejected the entire Accord, and would have supported the present leadership of the BLF against deregistration.

He said that on Saturday 800 delegates of the 1,200 then present signed a petition against the deregistration of the BLF.

Mr Hardy strongly criticised the policies of the Federal Treasurer, Mr Keating.

"To have a man like that in the Labor Party is an absolute abomination — he speaks more like an American right-wing economist," he said.

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CSO: 4200/1054

REPORTAGE ON GOVERNMENT'S RURAL ASSISTANCE PACKAGE

Interstate Subsidies

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Greg Roberts]

[Text] An extra $20 million in interest rate subsidies highlights a range of measures in the rural assistance package aimed at those farmers in greatest need of help.

The measures include a boost in funding for rural counselling services and funds for the preparation of strategic plans for country centres suffering most from the downturn in the rural sector.

These moves are significant because they reflect the Government's acceptance of the need for some mechanisms to cope with the social welfare of people in hard-hit areas.

The $20 million will be channelled through the Rural Adjustment Scheme and is aimed at farmers who are "assessed as being viable in the longer term and whose borrowing capacity is exhausted".

An extra $1.8 million is provided for farmers who leave their farms, so they are "assured of financial support at levels equivalent to those eligible for unemployment benefit".

The Minister for Primary Industry, Mr Kerin, ruled out any large-scale interest rates assistance.

"This would subsidise only one input — debt finance", he said. "To the extent that debt is not correlated with need, there would be perverse distributional consequences."

The president of the National Farmers' Federation, Mr Ian McLachlan, reacted angrily. "We have a $7.5 billion debt with an annual interest bill of $1,125 million and the Government is giving us $20 million," he said.

The Government will spend $900,000 to underwrite a rural counselling service and will pay up to half of the cost of employing a counsellor in depressed areas.

The counsellor will "assist farmers and their families to assess their financial position and to identify their adjustment options".

In recognition of the impact of the rural downturn on country towns, the Government will spend $500,000 on grants of up to $50,000 for strategic plans for selected areas.

The money will be channelled through a new Country Enterprise Fund. State and local governments and regional community organisations will be involved in the preparation of plans.

The Government will investigate the establishment of generalised Commonwealth offices catering for a range of activities in country towns which are too small to justify single-purpose offices.

The Minister for Social Security, Mr Howe, said this could involve the expanded use of information officers and outreach programs. One officer was recently appointed to help people in the Victorian Mallee area.

The Minister Assisting the Prime Minister on the Status of Women, Senator Ryan, said a Rural Women's Access Program would be set up to improve the access of rural women to health, housing and educational services.

The program will spend $100,000 this year on projects like the publication of a regular paper outlining programs for rural women, and investigating the establishment of a rural women's telephone advice service.

The Minister for Community Services, Senator Grimes, said the Government had commissioned consultants to report on ways to improve the delivery of community services in remote areas.

The Department of Education has been given $388,000 under the package to publicise Commonwealth education services and support for rural areas.

Senator Ryan, who is also Minister for Education, said the Government was concerned that "there was relatively low participation in senior secondary education by rural youth".

Tax Weapon Scrapped

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Peter Hartcher]

[Text] CANBERRA: The Federal Government has abandoned one of the most ideologically important elements of its tax package — the quarantining of farm losses.

As a result, the Government says officially that it will forgo $65 million in revenue in 1987-88, and $45 million each year thereafter.

The decision to scrap the measure was praised yesterday by the National Farmers' Federation as the only commendable component of the Government's rural policy announcement. It was the undoing of an ill deed, it said.

But quarantining, originally justified by the Treasurer, Mr Keating, as an important weapon in the war against tax evasion, had the strong support of the Left of the ALP.

Quarantining, a general measure, is to be replaced with more specific anti-evasion measures. The exact nature of the measures will be announced after a review of the existing legislation.

Quarantining was designed to limit farm losses being written off against income from other sources. Last September, Mr Keating announced quarantining as a method of eliminating "one of the most heavily used tax shelters set out in the draft white paper", a shelter costing the revenue $155 million a year.

He said: "The manner in which the tax system is currently structured allows other than genuine farmers to generate significant tax gains by directing investment to what otherwise would often be considered unprofitable ventures."

The Government abandoned quarantining — with the full concurrence of Mr Keating — for several reasons:

- Investment in forestry and horse-breeding has fallen sharply, and the Government was concerned that many long-term projects would no longer attract the backing of investors.
- The Government concedes that the measure "may have had greater impact on genuine primary producers than the Government had intended".
- In the words of the Minister for Primary Industry, Mr Kerin, farmers had got themselves "very ideologically worked up".

And in another development, the Government has lifted from $1 million to $3 million the size of foreign investment in rural land which may be made without the consent of the Foreign Investment Review Board.

$35 Million Marketing Boost

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Greg Roberts]

[Text] The establishment of a new Rural and Allied Industries Council, and $35 million in funds for agricultural marketing, were key measures announced in the package to boost the competitiveness of the rural sector and provide it with an established mechanism for presenting its views to the Government.

The proposed council will include representatives of major farming organisations and the ACTU. It would be designed "as a forum for regular consultation on and consideration of policies and issues affecting the rural sector".

The rationale behind the council is the same as for the Economic Planning and Advisory Council and the Australian Manufacturing Council. The Government will fund the new body to the tune of $1 million a year.

The Government's background paper on the package says existing farm organisations "do not represent the views of others with a strong interest in the farm sector, particularly labour unions and groups responsible for the provision of off-farm services.

"The Government seeks to avoid the tendency for divisiveness and confrontation to develop when the rural sector is dealing with issues and problems which originate off the farm."

The Government will spend $25 million over five years to boost agricultural marketing under guidelines to be established by the Minister for Primary Industry, Mr Kerin, and the Minister for Trade, Mr Dawkins.

This is in addition to $7 million already announced for the meat and livestock industries, and $32 million provided last year for wool promotion.

"A clear need exists to encourage more creative thinking about the future marketing of our agricultural products," Mr Kerin said.

"Like other businesses, rural industries and statutory marketing authorities need to face up to providing goods and services which people want to buy and will pay for."

The Government will spend $10 million over five years on a new body, the Horticultural Marketing Corporation, to "co-ordinate national horticultural marketing and promotion, and also export initiatives".

The Government has also decided to significantly reduce the compulsory levies paid by cattle farmers for brucellosis and tuberculosis control.

$100 Million Sugar Subsidy

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Greg Roberts]

[Text] The Government announced a $100-million scheme yesterday to assist the sugar industry as part of its farm package.

But a spokeswoman for the Minister for Primary Industry, Mr Kerin, said last night that Queensland had not yet indicated whether it was prepared to accept the package.

A substantial slice of the aid — $54 million — will be in the form of a subsidy to growers to guarantee minimum prices for sugar by underwriting prices of $230 a tonne last year, $225 this year and $220 next year.

This money will be provided on a 2:1 basis with Queensland. It is conditional upon Queensland accepting that its offer of $27 million (announced unilaterally earlier this year), to cover interest costs on early season advances and sugar board stockholdings, be used as "a form of price support".

Guidelines for spending the remaining money have already been agreed upon between Mr Kerin, the Queensland Minister for Primary Industry, Mr Turner, and the NSW Government.

A consultative body will be established between the three Governments to implement regional adjustment arrangements.

"The arrangements will give priority attention to the area affected by Cyclone Winifred, which includes Babinda Mill," Mr Kerin said.

"The package indicates the preparedness to assist specific industries in times of need, so long as they are prepared to adjust to changing market and technological circumstances".

Wheat Industry Commission

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Greg Roberts]

[Text] The Federal Government has announced the establishment of a joint Commonwealth-State royal commission into key aspects of the wheat industry as part of its rural assistance package.

The Minister for Primary Industry, Mr Kerin, said that this was in recognition of the need for "eternal vigilance" against spiralling farm costs.

The commission's terms of reference will be decided between the relevant Commonwealth and State ministers, he said.

The commission would be asked to "inquire into the costs and efficiency of the national grain transport and handling systems, as a whole, and the influence of these factors on the competitiveness of Australia's grain exports, and to identify reforms which could improve efficiency".

The establishment of the commission will allow the Government to address criticisms from farming groups and the Bureau of Agricultural Economics that transport and grain-handling costs are exorbitantly high and therefore placing an unfair burden on the wheat industry.

The Government's Economic and Rural Policy document, released yesterday, claims that "management decisions and work practices have often not maximised potential productivity improvements".

In other cases, "there have been poor investment decisions in parts of the transport, handling and storage systems".

Grain silos have also operated at times "without regard to the cost, because the correct balance between on-farm and off-farm storage has not been struck".

In addition, the costs of State railway services to growers have been "inordinately high".

The Government's background paper to the package says that "the need for widespread change will not be generally accepted until all the costs of existing arrangements are drawn out and publicised".

The paper notes that wheat storage, handling and transport costs per tonne rose by more than 50 per cent between 1979 and 1985, while in the same period, wheat prices rose by only 20 per cent.

"Consequently the share of net pool returns [to farmers] consumed by these services jumped from 14 to 20 per cent.

"The effect of this trend will be amplified if wheat prices come under further pressure from subsidised US and EC sales. But even at current prices these services are projected to take 25 per cent of net pool returns by the end of the decade."

Practical solutions to these cost problems "will require all those involved in the system to play a constructive part in identifying and implementing appropriate changes".

Farmers' Federation Attacks Initiative

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Peter Hartcher]

[Text] CANBERRA: The Federal Government made new commitments yesterday which will relieve farmers of between $50 million and $60 million in farm machinery and chemical costs during the next 12 months.

But the National Farmers' Federation attacked the initiatives, describing them as insubstantial.

The decisions are the only new, direct and concrete cost cuts which farmers won from yesterday's farm policy statement.

If averaged across every Australian farm, they will save each farmer between $285 and $340 a year in the first year, and between $205 and $260 in each year thereafter.

Instead of protecting Australian machinery and chemical makers by imposing tariffs on imported competition, the Government will pay the local producers a bounty which will have an equivalent protective effect.

The buyers of those goods — farmers — will then enjoy products priced as if there were no protection whatsoever, and as if the markets for chemicals and machinery were open and competitive.

The Government will pay bounties on agricultural and horticultural machinery for soil preparation and cultivation of about $39 million in the first year, and about $26 million a year thereafter. The saving to farmers is of an identical magnitude.

The bounty will take effect immediately, but will not be paid until the Industries Assistance Commission has advised the Government on the exact size of the bounty payments required to match the existing tariff.

This could take several months, so the bounties applicable during this hiatus will have to be paid retrospectively.

Farmers will save between $10 million and $20 million a year on agricultural chemicals. This will be engineered through a combination of bounties, and cuts in tariffs. The precise mix has yet to be determined, so the cost to the Federal Government cannot be determined.

The IAC is yet to finish its chemicals and plastics report, due to be handed to the Government on April 30. In the interim, the existing 2 per cent revenue duty on imported agricultural chemicals will be removed, at a cost to the Government of $400,000 a year.

The president of the National Farmers' Federation, Mr Ian McLachlan, yesterday said these initiatives were insubstantial. Tariffs cost the farm sector $250 million a year, he said.

In addition to the two new measures, the Government restated its commitment to providing two other cost-cutting measures for farm inputs.

It guaranteed that "the overall cost of fertilisers to farmers will not increase as a result of any decisions which may flow from the Government's consideration of the reviews of anti-dumping legislation and of the production and consumption of fertilisers".

The existing subsidies and bounties on fertilisers cost the Government $65 million a year.

Farming Leaders Dismiss 'Inadequate' Measures

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 4

[Article by Greg Roberts]

[Text] **Farming leaders dismissed the Federal Government's rural assistance package yesterday as "grossly inadequate", with the president of the National Farmers' Federation, Mr Ian McLachlan, describing it as "a rather sad and defensive document".**

But Mr McLachlan's response was surprisingly muted, given that the package did not come close to meeting the four major reforms he demanded last month which the NFF described as "non-negotiable".

"It doesn't attack the issues," he said.

"The statement doesn't impress us and it does not address the real problems facing rural industry."

Mr McLachlan said he was particularly disappointed with the Government's failure to eliminate all tariffs on imported farm inputs.

He declined to spell out further action which farmers will take in response to the package, although he said this "would be discussed over the next few weeks". The NFF, however, would "definitely not" support any move to blockade wheat exports.

The chairman of the Canowindra Rural Reform Committee, Mr Peter Ryan, said the package was "grossly inadequate".

Mr McLachlan ... "It doesn't attack the issues."

"The anger in the bush has not been appeased one bit," he said. "There will be more of the same action we have seen in recent weeks."

Mr Ryan suggested that farmers might hold off further direct action until a proposed visit by the Prime Minister to Canowindra next month.

The Leader of the National Party, Mr Sinclair, said the package was "an ill-conceived load of political clap-trap" and would "do nothing to solve the huge problems of rural Australia".

Mr Sinclair ... "ill-conceived load of political clap-trap".

The Leader of the Opposition, Mr Howard, described the package as a "disappointing hoax which will produce real anger in rural Australia".

"The few sensible decisions in the package include a slight loosening of the foreign investment guidelines, and an inquiry into wheat transport and handling," he said.

"The package is disappointing and the Hawke Government, after building up expectations, has clearly let down Australian farmers."

Editorial Finds Initiative 'Problematical'

Sydney THE SYDNEY MORNING HERALD in English 16 Apr 86 p 18

[Editorial: "The farmers get their package"]

[Text] MR KERIN'S rural package has added $150 million to this year's Budget migraine; what good it will do and what thanks he will get are both problematical. The part of the package that will be most appreciated will be the part that is least justified: the $20 million that will be used to prop up farmers who really should leave the industry. The rest of the package, with its tax and tariff relief for farmers generally, is bound to disappoint the majority of farmers who could have got by with less but who no doubt were hoping for more.

It is that second part of Mr Kerin's package that contains the most valuable reforms — and the potential to become far more expensive than the Government expects. The worthwhile reforms are the replacement of import duties with bounties to protect local manufacturers of fertilisers, chemicals and farm machinery. The cost to the taxpayer is high — about $120 million a year — because the Government both loses the revenue from the import duties and has to pay out a cash subsidy to support the local manufacturers. But the burden of protecting the manufacturers is shared by the whole community, which is only fair. And, of course, the cost of protecting the industries concerned is more visible and more liable to be questioned, which is long overdue.

The concession with the potential to become very expensive is of course the abandonment of the quarantining of farm losses. In principle, there is no reason why people should not be able to write off their farm losses against their non-farm income. But Mr Keating planned to stop it because agricultural investment had become a popular way of avoiding tax. The taxpayer was suffering at the hands of too many Pitt Street farmers. Now the Government says that its attempt to stop tax avoiders would have affected "genuine primary producers".

Of course it would, although not the ones who are on the verge of ruin. The genuine farmers who will benefit from yesterday's decision are the large, efficient producers who have built up substantial non-farm investments as insurance against rural slumps. The quarantining of farm losses would have discouraged farmers from undertaking perfectly reasonable, and from the community's point of view, utterly desirable, diversification. But not quarantining them will encourage a lot more Pitt Street farmers, especially now that the Government has moved in on other popular tax shelters.

But that's a problem for the future, as no doubt is a large proportion of the farmers who will qualify for the $20 million interest rate subsidy. The subsidy is designed to go to farmers whose businesses are not viable now but, in the opinion of the Government, can be made viable — businesses that can be saved by an injection of cheap capital. In any other sector of the economy, those businesses would go under and be absorbed by stronger, more efficient enterprises. For political reasons alone, farmers facing ruin receive special help from the taxpayer. Some will find their feet as a result, but experience suggests a great number of them will just limp on to become the victims of the next farming crisis.

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AUSTRALIA

PENDING USSR, VANUATU FISHING DEAL TROUBLES CANBERRA

Sydney THE SYDNEY MORNING HERALD in English 2 Apr 86 p 1

[Article by Mary-Louise O'Callaghan]

[Text]

CANBERRA: Any fishing agreement that gave the Soviet Union access to onshore facilities in Vanuatu would be strongly opposed by Australia, a spokesman for the Department of Foreign Affairs said last night.

Australia would recommend to Vanuatu that any agreement exclude such access in an attempt to limit Soviet expansion in the South Pacific, the spokesman said.

The Soviet Union has asked Vanuatu for an agreement that would give Soviet fishing vessels access to the waters of the archipelago's maritime resources zone as well as on-shore facilities and joint seabed research for at least 12 months.

However, Vanuatu is not expected to agree to the request for on-shore facilities.

The Foreign Affairs spokesman said Australia would only oppose any agreement if it included access to on-shore facilities. Otherwise it would respect the right of Vanuatu, with its limited resources, to get the best deal.

"We've made known our reservations about these sort of things in the past, but we also understand the desire of these island countries to get the best possible value out of their only major renewable resource," the spokesman said. "They are sovereign states and it is up to them to decide these things."

The Minister for Foreign Affairs, Mr Hayden, is expected to discuss the negotiations during his visit to Vanuatu next month.

The Prime Minister, Mr Hawke, wrote to the Pacific nation of Kiribati last year expressing concern over its decision to sign a $US2.4 million tuna fishing agreement with the Soviet Union, an agreement which did not include access to port facilities or research work.

A spokesman for the United States Embassy said yesterday that the US was concerned about possible Soviet encroachment into the Pacific, but said further details of the deal would be needed.

The spokesman said the US was still involved in fishing negotiations with South Pacific nations, including Vanuatu.

Mr Jo Natuman, press secretary for the Prime Minister of Vanuatu, Mr Walter Lini, confirmed yesterday that Vanuatu would attend the next meeting of the South Pacific Forum Fisheries Agency in May, which is attempting to have a multilateral treaty signed between the US and South Pacific island nations.

Mr Natuman also confirmed that Vanuatu had established a committee to negotiate with the Soviet Union, but said it could be up to a year before any formal agreement was signed.

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AUSTRALIA

EDITORIAL CONCERNED BY USSR, VANUATU FISHING TALKS

Sydney THE SYDNEY MORNING HERALD in English 3 Apr 86 p 10

[Editorial: "If Soviet Trawlers Come to Vanuatu"]

[Text]

IN SYDNEY a little more than a year ago Soviet negotiators sat down with officials from the tiny Pacific island nation of Kiribati and discussed fish. The resulting agreement to allow Soviet vessels access to Kiribati's exclusive economic zone was eventually signed last August. Now the Soviet Union also has asked Vanuatu for a similar agreement. As well, it wants Vanuatu to permit it on-shore facilities and to co-operate in a joint seabed research project, a development that has made Canberra nervous.

The Department of Foreign Affairs has said Australia would oppose any Soviet-Vanuatu agreement that included on-shore facilities. Mr Hayden will doubtless have more to say after his visit to Vanuatu next month. For the moment, it is reassuring that there has been nothing like the alarmist utterances of the former Prime Minister, Mr Fraser, in Washington a year ago, when the first hint of the Soviet-Vanuatu agreement was in the air. Mr Fraser's claim then — that a fisheries agreement would lead to Soviet vessels refuelling in Kiribati, which would in turn lead to a naval facility and construction of an airport — was hardly realistic. And its contribution to rational discussion was about as valuable as the Reds-on-our-doorstep scare of 1983, when Vanuatu recognised Cuba. There are reasons for Australia to view with concern unwelcome Soviet activities in the Pacific. But an alarmist reaction to every move by the Soviet Union to expand its fishing activity is not helpful.

For most of the new Pacific island nations their exclusive economic zones are their greatest resource. Understandably they want the best value they can get from them. The willingness of the Soviet Union, one of the largest fishing nations, to pay to harvest fish in those zones — just as the Japanese and South Koreans do — merely underlines the unreasonable attitude of the United States. The US does not recognise exclusive economic zones and has only slowly realised that it must rein in the American Tunaboat Association's aggressive fishing activities and the association's heavy-handed reliance on US trade sanctions to back them up.

Recent developments have probably sharpened US sensibilities in dealing with Pacific nations. The overthrow of President Marcos in the Philippines was a reminder of the uncertain US tenure of its bases there. And the Soviet-Kiribati agreement has shown that when a Pacific nation moves to talk with the Soviet Union it is not out of some childishness, hoping to extract more aid from the West, but out of serious concern to put its economy on a stable long-term footing.

Two parallel developments are emerging. The US is moving towards a multilateral tuna agreement. That would help repair the damage done by the free-for-all conducted for so long by the American Tunaboat Association. At the same time there is a growing realisation in the South Pacific Forum that co-operation among its members is the key to dealing with the world's fishing nations. As far as the members of the Forum are concerned, the real threat from bilateral agreements such as the Soviet-Kiribati agreement or a possible Soviet-Vanuatu agreement is economic, to the extent that it makes a comprehensive collective arrangement for the benefit of all small nations in the Pacific that much harder to achieve.

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SUHARTO STRESSES UNITY ON NATIONAL AWAKENING DAY

BK200515 Jakarta ANTARA in English 0448 GMT 20 May 86

[Text] Jakarta, May 20 (ANTARA)--President Suharto Tuesday hailed the commemoration of National Awakening Day (May 20) emphasizing again the importance of national unity particularly at a time when the nation was facing the prospect of economically difficult years.

"Let us not dissipate our mind, attention and strength in overcoming unnecessary problems. Instead we should concentrate in carrying on our struggle for economic development in the years ahead," the head of state said.

Addressing participants of the commemoration at the Senayan Convention Hall, the president stressed that the spirit of national unity is the priceless lesson Indonesians had to take from the National Awakening Day.

"History has taught us that great dreams could not possibly be realized without unity and solidarity among us all," the president said.

The national awakening in 1908, which was marked by the birth of the Budi Utomo organization on May 20, constitutes the start of the growth of national consciousness among the various regions of Indonesia.

Later, in 1928, the youth pledge was declared emphasizing the oneness of the Indonesian nation.

Then in 1945, the year of the proclamation of independence, it was proven that with unity and solidarity among the whole nation there was no force on earth which could prevent the birth of the free Indonesia.

President Suharto was of the view that the current national unity has a strong binding force manifested by the adoption of Pancasila as the sole principle for the way of life of the nation.

As the sole principle of the nation, the president said, Pancasila provides wide opportunities for all layers of the community, both women and men of all generations, to actively participate in the current development programs as the implementation of state ideology.

On the occasion the head of state also called on the young generation to make the historical day as a new spirit for self-confidence.

"Of course, there is no other way. We have to rely on our own strength," President Suharto stressed.

The strength, he went on, is owned by the Indonesia people and the young generation is the main source of the strength. Therefore, the president said, the young generation should be preparing themselves for being able to continue and to enhance the nation building for the interest of the young generation and the nation in the future.

According to President Suharto, efforts to prepare the young generation for shouldering bigger tasks in the future are still going on. The head of state also pointed to the fact about the process of regeneration in all layers of community and institutions.

"We are proud of our national history of the past. But we do not merely want to be a nation that inherits the glories of the past, because we also want to be a nation that is able to build our brighter future," President Suharto concluded.

The ceremony was also attended by cabinet ministers, political and military leaders, members of Parliament, and the young generation.

/6662
CSO: 4200/1059

AUSTRALIAN MINISTER COMMENTS ON IRIAN JAYAN REFUGEES

BK190954 Jakarta ANTARA in English 0806 GMT 19 May 86

[Text] Jakarta, May 19 (ANTARA)--Australia will never give permanent residence to 11 Irian Jayans who fled to Australian territory, because Canberra does not want to have any difficulty in its relations with its "very good neighbour" Indonesia.

"We do not want to draw more people to come to our country illicitly" Australian Minister for Immigration and Ethnic Affairs Chris Hurford disclosed here Monday after meeting Justice Minister Ismail Saleh.

Hurford stressed that his government would not keep those people permanently in Asutralian territory, saying if they were not willing to return to Irian Jaya, Australia would seek a third country for their resettlement. He showed his concern if the people were granted permanent residence, many more people would come due to the higher standard of living in Australia.

In his talks with Ismail Saleh which he described as "most enjoyable and constructive", Hurford discussed matters associated with the future of the Irian Jayan evacuees. He did not reveal results of the discussions, beyond saying that further talks would be organized.

Both ministers also touched upon matters pertaining to the normalizations of relations between some 6,000 East Timorese now residing in Australia with their families in East Timor. Hurford disclosed that his ministry was studying the possibility of moving one of its immigration offices to Timor at regular intervals to process the family reunion.

Differing with the 11 Irian Jayans, the East Timorese have been accepted by Australia as permanent residents under normal immigration guidelines. The 6,000 East Timorese have come directly under programs arranged between the Australian and Indonesian governments or indirectly through other ways.

Upon questions, he said that a lot of the East Timorese were now moving to be Australian citizens. He did not rule out the possibility that some of them might want to return to Indonesia. "With the normalization of relations, maybe we can facilitate if they want to return to East Timor", he said.

Both ministers talked for about one hour.

/6662
CSO: 4200/1059

BIOGRAPHIC INFORMATION ON INDONESIAN PERSONALITIES

[Unless otherwise noted, the following information on Indonesian personalities has been extracted from Indonesian language sources published in Jakarta.]

MAJ GEN H. SIMANJUNTAK--Army Chief of Staff General Rudini on 8 March presided over the transfer of the office of governor of the Indonesian Military Academy from Maj Gen Untung Sridadi to Maj Gen H. Simanjuntak. Maj Gen H. Simanjuntak (who is 50 years old) was previously commander of Military District VIII/Trikora. He graduated from the Indonesian Military Academy in the class of 1960. In 1963 he was assigned to the academy as a company commander in the Regiment of Cadets. Maj Gen Untung Sridadi will be assigned to Army Headquarters as a senior officer. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 11 Mar 86 p 1] 5170

AIR COMMODORE ZAINUDIN SIKADO--The post of deputy commander of Operational Command I was transferred on 14 March from Air Commodore J. L. Mundung to Air Commodore Zainudin Sikado (50 years old). Air Commodore Sikado was previously commander of Iswahyudi Air Force Base in Madiun [East Java], which is the largest base belonging to the Indonesian Air Force. He is one of a number of young officers who were sent to Czechoslovakia in 1960 to become fighter pilots. When the Indonesian Air Force received MiG-21 fighters, which can fly at twice the speed of sound, Sikado was among the first pilots to check out on this aircraft. Air Commodore Sikado, who was born in Ujung Pandang [South Sulawesi], often encountered British fighter planes based in Singapore at the time of the Indonesian confrontation of Malaysia. Air Commodore Sikado continues to fly jet fighters because, in his view, "Everyone who serves at Iswahyudi Air Force Base must be able to fly." Operational Command I is responsible for the security of the western part of Indonesian air space. The command headquarters is at Halim Perdanakusumah Air Force Base in Jakarta. [Text] [Jakarta SINAR HARAPAN in Indonesian 15 Mar 86 p 12] 5170

COL SURYADI SUDIRJA--The position of chief of staff of Military Region IV/Diponegoro was transferred on 19 March from Brig Gen T. B. Silalahi to Col (Infantry) Suryadi Sudirja at a ceremony in the conference hall of Military Region IV/Diponegoro in Watugong, Semarang. Brig Gen T. B. Silalahi, the former chief of staff of Military Region IV/Diponegoro, has been assigned to new duties as assistant for planning to the Army chief of staff. Col Suryadi Sudirja has previously been deputy commander of the Army Operational Systems Development Center in Bandung. Col Suryadi Sudirja was born in Banten [West

Java] in 1938. He married Dr Sri Sumarsih in 1964, and they have two sons. He is a graduate of the National Military Academy and was commissioned an Army second lieutenant on 1 December 1962. Subsequent military training included attendance at the Basic Infantry Course, KOPALTU/IF, SUSLAPA/LN, the Army Staff and Command School (Overseas), the Joint Staff and Command School, SUSSARPARA, IFGABA, SUSBINLATSAT, SUSTARDANDIM and the Pancasila Indoctrination Course. He speaks English and French fluently. Among his assignments overseas, he was sent to study in France in 1969 and 1973, and in 1973 he went to Malaysia in 1978 in connection with the KARMALINDO Exercise. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 25 Mar 86 p 6] 5170

MAJOR GENERAL SOELARSO--On 31 March Major General Soelarso will be installed in office as the new director general of immigration, replacing Soegino Soemoprawiro. Major General Soelarso (57 years old) is a 1955 graduate of the Royal Dutch Military Academy in Breda. He was in the same class with Army Chief of Staff General Rudini. Most recently, he has served as Army inspector general. He previously served as commander of Military Region III/17 August (which has since been abolished), assistant for security affairs to the Army chief of staff, and commander of Military Region VIII/Brawijaya. Minister of Justice Ismail Saleh told reporters that Soegino Soemoprawiro will be assigned as a staff adviser to the minister of justice. Soegino Soemoprawiro assumed office as director general of immigration on 5 June 1982. [Excerpts] [Jakarta SINAR HARAPAN in Indonesian 29 Mar 86 p 1] 5170

REAR ADMIRAL RUDOLF KASENDA--On 11 April Rear Admiral Rudolf Kasenda will be installed in office as chief of staff of the Indonesian Navy, replacing Admiral M. Romly. Rear Admiral Rudolf Kasenda has most recently served as deputy chief of staff of the Navy for logistics affairs. He turned this position over to Rear Admiral Basoeki on 3 April at a ceremony held at Navy Headquarters in Cilacap. Before becoming deputy chief of staff of the Navy Kasenda, who was born in the Toraja area of Sulawesi, was commander of the Indonesian Fleet. An officer closely acquainted with Kasenda, said of him: "He's a really capable sailor." His father was born in Manado, and his mother was from the Toraja area. Kasenda was born in Rantepao on 15 May 1934. After completing senior high school in Ujungpandang in 1952 Kasenda entered the Naval Academy, graduating in 1955. His close friend said: "Kasenda is a man who is very thorough. Every job he does is completed, down to the last detail." Kasenda began to come to public attention when he commanded the Indonesian Navy Ship MULTATULI, a warship which was the pride of Indonesia during the 1970's. Before becoming commander of the Indonesian Fleet, he served as assistant for logistics in the Department of Defense and Security, when Gen M. Jusuf was minister of defense and security and commander of the Indonesian Armed Forces. [Excerpts] [Jakarta KOMPAS in Indonesian 4 Apr 86 p 1] 5170

AIR MARSHAL OETOMO--On 11 April Air Marshal Oetomo will take his oath of office as chief of staff of the Indonesian Air Force, replacing Air Chief Marshal Sukardi. Regarding Air Marshal Oetomo, an Indonesian Air Force officer said: "He is a hard worker. He stays up until all hours, until the job is done." This spirit of working hard can be seen directly in his private life. He is a man who doesn't say much but is always smiling. He graduated from the Advanced Flying School in the class of 1958. This school is like the present Air Force Academy. He began his career as a pilot on Albatross aircraft, a maritime reconnaissance and search and rescue airplane. Air Marshal Oetomo, who is now 51, has two children. The eldest, a daughter, is a university student. The younger child is still in junior high school. During his military career he has been defense attache in Tokyo and was subsequently deputy assistant for security affairs to the Air Force chief of staff, commander of Air Region IV in Surabaya, and deputy commander of Air Defense Region I in Medan. From there he was promoted to be deputy chief of staff of the Air Force and, most recently, was chief of the general staff at Air Force Headquarters. [Excerpts] [Jakarta KOMPAS in Indonesian 4 Apr 86 p 1] 5170

COMMODORE W. RAHADI--The post of assistant to the Navy chief of staff for planning and budgetary affairs was turned over on 4 April from Commodore Iman Taufik to Commodore W. Rahadi, his replacement. Commodore W. Tahadi graduated from the Naval Academy in 1960. In 1970 he graduated from the Navy Staff and Command School, from the Joint Staff and Command School in 1976, and from the Defense Attache Course in 1977. During his Navy career, he has been assigned to the Indonesian Navy Ship PATTIMURA and has served several tours of duty in submarines, beginning as a torpedo officer and concluding as commander of the Submarine Force in 1972. From 1978-82 he was defense attache in Rome and from 1982-85 he was chief of the Navy General Secretariat. In May 1985 he was appointed chief of staff of the Eastern Area of the Indonesian Navy. [Excerpts] [Jakarta HARIAN UMUM AB in Indonesian 8 Apr 86 p 8] 5170

CSO: 4213/138

INDONESIA

BRIEFS

SUHARTO'S PRESIDENTIAL NOMINATION--Jakarta, 19/5 (ANTARA)--President Suharto expressed gratitude for the decision of the Indonesian Democratic Party (PDI) to name him as the party's candidate for the presidency seat. However, the head of state reiterated it all depends on the decision of the country's MPR (People's Consultative Assembly), since as an Indonesian citizen he will obey all the decisions of the state's highest institution. President Suharto stated this when receiving the members of the PDI Central Board at the Bina Graha Presidential Palace here Monday. During the meeting the board reported the results of its recent congress here which among other things comprised the decision to name President Suharto as PDI's candidate for president for the 1988-1993 period. [Excerpt] [Jakarta ANTARA in English 1644 GMT 19 May 86 BK] /6662

AUSTRALIA WANTS JOURNALISTS' BAN LIFTED--The exchange of visits between the Indonesian and Australian journalists is also important in the efforts to develop both countries' relations, the same as the exchange of visits of ministers. This was stated by the Australian minister for immigration and ethnic affairs, Chris Hurford, yesterday. He said the exchange of visits between the two countries' journalists would promote mutual understanding. In this connection, he urgently hoped that the Australian journalists would be allowed again to visit Indonesia. Minister Chris Hurford made these remarks yesterday after he called on Minister of Home Affairs Suparjo Rustam and Minister of Justice Ismail Saleh. [Text] [Jakarta International Service in English 0800 GMT 20 May 86 BK] /6662

CSO: 4200/1059

MAHATHIR OPENS SOUTH-SOUTH CONFERENCE

Urges Independent Commission on Cooperation

BK050917 Kuala Lumpur International Service in English 0800 GMT 5 May 86

[Text] Malaysia has called for the establishment of an independent commission on cooperation among developing countries. Prime Minister Datuk Sri Dr Mahathir Mohamed made the call when he opened the South-South Conference in Kuala Lumpur. He suggested that the commission have a limited life span. Each developing country has been urged to assign a minister to ensure that the commission attains its objectives. Datuk Sri Dr Mahathir pointed out that South-South cooperation will help caution developing countries from the arbitrary action and decisions of a handful of developed countries. He noted that developing countries while having gained their political independence have been denied economic freedom.

The prime minister's speech touched on various subjects. It included economic cooperation among developing countries, apartheid in South Africa, and disarmament. Datuk Sri Dr Mahathir explained that developing countries have never been independent economically. They have no control over markets and prices as well as transport and [words indistinct]. As an illustration, he said although the annual seven-nation economic summit now on in Tokyo will make decisions that will affect all developing countries. The developing world will not be consulted on these decisions.

On South Africa, the prime minister again hit out at developed countries for their failure to apply sanctions against the racist Pretoria regime. He said the regime survives because of sympathetic support from the developed countries.

Earlier, Datuk Sri Dr Mahathir presented the 1985 Third World prize to Black liberation fighters, Nelson and Winnie Mandela of South Africa. The prize was accepted on their behalf by the president of the African National Congress, Mr Oliver Tambo.

Condemns 'Inhuman' South Africa Regime

BK050951 Kuala Lumpur Bernama in English 0938 GMT 5 May 86

[Text] Kuala Lumpur, 5 May (OANA-BERNAMA) -- Malaysian Prime Minister Dr Mahathir Mohamed said Monday the Pretoria regime is an inhuman one and "racist" in the extreme.

He said the only thing that it would respond to was force.

"If we must meet terror with force, this is the time," he said, stressing that the lives of the Blacks in South Africa were as worthy as the lives of anyone else.

Opening the second South-South summit here, the prime minister said it was not revenge and killing that were being sought now but merely sanctions by those whose economic clouts had the necessary force.

He believed that the Blacks in South Africa were prepared to endure the pain of sanctions.

"They ask for sanctions. Why do we give this excuse that we want to save them from that which they are willing to endure?" he said in reference to some Western governments which had expressed such sentiments on sanctions.

Stating that the Pretoria regime remained the most blatantly racialist regime in the history of the world, Dr Mahathir said it could exist in this day and age partly because of the support it got from sympathisers in the north.

"People who are prepared to take direct military action against a government for allegedly promoting terrorism advocate gentle persuasion when dealing with the open terrorism practised by the Pretoria regime.

"We do not expect the Pretoria regime to be bombed out of existence, because we do not believe in such a line of action. But when will those with the economic clout apply such sanction? Or is it that African lives are cheap and that investments in South Africa are too profitable?" asked the prime minister.

He said that in the mid-60s, when Malaysia condemned the racialist regime of South Africa and demanded that South Africa be booted out of the Commonwealth if it continued with apartheid and oppression of Black South Africans, it was told that such action would be detrimental to the Blacks.

He said the same argument was applied at the recent Commonwealth meeting in Nassau when it was demanded that sanctions be applied against South Africa.

The prime minister asked, "Do we really think that Black South Africans will be better off today if South Africa remains in the Commonwealth? Are they better off now because we do not apply sanctions? Are the shooting, killing, jailing and torture of the Blacks today evidence that they are better off because sanctions are not applied? Has Nelson Mandela been released because no sanctions have been applied? Would Steve Biko be alive today?

"The fact is that we are dealing not with an inhumane regime but an inhuman regime, a regime that is racist in the extreme," he said.

Third World Arms Race

BK051224 Kuala Lumpur Domestic Service in English 1130 GMT 5 May 86

[Text] Datuk Sri Dr Mahathir Mohamed today called on the governments of the South to stop their mini arms races. Opening the second South-South summit in Kuala Lumpur, he said the South often talked of the need for disarmament by the big powers, but its own record dubbed it a lie. The prime minister pointed out that in 1964, the Third World began bought U.S. $1,400 million worth of weapons from the developed countries, and by 1984 the figure had grown to U.S. $29,400 million. Such gun-before-butter policy should be stopped, as it can only enrich the already rich.

Datuk Sri Dr Mahathir stressed that countries of the South should also look into other areas where they could cooperate for mutual benefits. Citing the cultural field as an example, he said there is a great need for them to get to know each other. At present, there is a great deal of mininformation originating from the news media over which of the countries of the South have no control.

He added that the time had come for Third World news agencies to intensify their cooperation and provide true and more sympathetic news about developing nations.

/12640
CSO: 4200/993

MALAYSIA

BRIEFS

COMMUNIST THREAT--Penang, Tues [29 April]--The communist threat in the country is becoming more subversive and less of an armed struggle, Army Chief Jen Datuk Sri Hashim Mohd Ali told the NEW STRAITS TIMES today. He said there were now less than 200 terrorists operating in Peninsular Malaysia. However, the Communist Party of Malaya (CPM) still had about 1,500 armed personnel operating from sanctuaries in South Thailand. Jen Hashim said the increasing threat now was in the form of communist infiltration of workers unions, political parties, student bodies and other fronts. The communists were trying to increase the strength of their unarmed sympathisers besides trying to consolidate their armed personnel. "To boost the morale of their forces, they are even claiming that their secretary-general, Chin Peng, is still in the peninsula and South Thailand area whereas intelligence indicates that he is living in China." It is, however, not known whether Chin Peng is still actively leading the communist struggle in the country. Meanwhile, the present economic slowdown had not prejudiced the potential of the army. [Text] [Kuala Lumpur NEW STRAITS TIMES in English 30 Apr 86 p 7] /12640

MEETING WITH PAS--Datuk Sri Dr Mahathir says the mutual discussions between UMNO [United Malaya National Organization] and PAS [Pan Malaysian Islamic Party] have achieved a desired result. [words indistinct] further discussions can be held. The prime minister told newsmen in Kuala Lumpur this afternoon that the discussions centered on religious matters and ways to prevent undesirable incidents between supporters of both parties, especially during the forthcoming general election. No political matters were discussed, and the meeting did not touch on PAS to join the Barisan Nasional. The prime minister said the Barisan National, especially UMNO will soon approach [words indistinct] election. The prime minister explained that UMNO invited all PAS leaders but some of them refused to come. The invitations were issued through the UMNO youth leader, Encki Anwar Ibrahim. On allegations that UMNO is trying to disrupt the PAS leadership, Datuk Sri Dr Mahathir said he could say nothing about these allegations. Earlier, the prime minister briefed the UMNO Supreme Council on the outcome of the discussions. The 4-hour meeting also approved the procedures for [words indistinct]. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 3 May 86] /12640

FORMATION OF SABAH COMMITTEE--Kuala Lumpur, Sun -- PAS [Pan Malaysian Islamic Party] has formed a protem committee in Kota Kinabalua in its efforts to spread its wings to Sabah, party vice-president Haji Nakhaie Ahmad said today. He said a number of local intellecutals who had never joined any political party had agreed to be in the committee. PAS would also set up branches in various districts, including Sandakan, Tawau and Ranau, before going into the federal territory of Labuan, adding that he was confident the party would be accepted by the local people. Haji Nakhaie did not rule out the possibility of PAS fielding candidates for the next parliamentary elections. He denied that PAS was going into Sabah to exploit the situation, and said it was felt the time had come for the party to extend its activities there. It is understood Haji Nakhaie has been to Sabah twice recently to gauge the support of the people, especially the Muslims, for the party. On Sarawak, he said a PAS office had been set up in Bintulu, which would be the center of party activities in the State. [Text] [Kuala Lumpur NEW STRAITS TIMES in English 5 May 86 p 5] /12640

FOREIGN MINISTER VIEWS NEXT SUMMIT--The ASEAN summit to be held in Manila in July next year will come with guidelines to enhance regional economic cooperation beyond the year 2000. Economic issues will top the agenda. The minister of foreign affairs, Tengku Ahmad Rithauddeen, told newsmen in Kuala Lumpur this afternoon that Malaysia had proposed the setting up of a steering committee to prepare for the summit and ensure its success. According to Tengku Rithauddeen, economic issues will be highlighted because the present ASEAN economic cooperation leaves much to be desired. Among the guidelines that might be considered by the ASEAN heads of government include the establishment of a common market and the removal of trade barriers. On the meeting with President Reagan in Bali, Tengku Rithauddeen said the president gave a positive response to all the issues raised. They include economic matters and the Kampuchean issue. The ASEAN foreign ministers presented [words indistinct] on economic matters to President Reagan to be raised at the economic summit of industrialized nations in Tokyo. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 6 May 86] /12640

CSO: 4200/993

NEW ZEALAND

EDITORIAL HITS ANZUS GAP BETWEEN PARTY, GOVERNMENT

Wellington THE EVENING POST in English 29 Apr 86 p 6

[Editorial: A gap between party and Government"]

[Text]

THE PROBLEMS POSED by the gap between the Labour Government's stated policy that it wishes to remain within Anzus and the Labour Party's anti-Anzus stance came into clear focus last week when Ms Helen Clark presented the party's submissions to the Defence Review Committee.

The difference between the two policies poses the question of which one will prevail. Who should the voters and our allies believe? The Labour Government or the Labour Party?

Ms Clark's personal commitment to the anti-Anzus stance also raises the question of her chairmanship of the foreign affairs and defence select committee during its hearing on the Government's anti-nuclear legislation.

There may be those opposed to the Labour Party's anti-Anzus policy and untrusting of the Government's somewhat more equivocal stance, who are disposed to wonder about the propriety of having a chairman who has declared her interests.

But in fact Ms Clark's recent submissions to the Defence Review Committee did no more than emphasise once again her known views on the subject.

Whether one does or does not agree with the Labour Party's and Ms Clark's views on the desirability of a "semi-allied" role for this country — and the Post does not — Ms Clark has never sought to conceal her convictions on the issue. She has shared her thinking with the public and there could never have been any doubt about the ultimate direction in which her views lead. Such honesty in public life is admirable and allows for proper debate on major political issues.

The more circumlocutory approach practised by some of Ms Clark's fellow party members who are in Government leads to charges of double-speak and a sense of betrayal by those who would like to trust their leaders to be open about the results of policies which have a long lead time before they affect the average voter.

The difficulty the Government has in reconciling an electorate which is largely supportive of Anzus with a party which is largely opposed to the alliance must be recognised as formidable.

After the USS Buchanan debacle it is doubtful if there was ever much chance that party members would allow the Government to let any warship into New Zealand's ports.

For those concerned about our increasing isolation party spokesmen have offered the reassurance of the possibility of closer ties with Australia.

So anti-American are some members of the New Left within the Labour Party that they are not prepared to think through the political problems of allowing our trans-Tasman partner the preponderant influence over our defence systems. Nor has there been much discussion of a concomitant reduction in our status from a partner in the Western Alliance to just one of the many small Pacific states dependent on Australia for links with the rest of the West.

Ms Clark, however, is prepared to discuss just how far she sees the party being prepared to go in any defence partnership with Australia and it transpires that such support will be notable for its limited nature.

Her honesty in entering debate on the ultimate results of Labour Party policy is greatly to her credit. It is members of the Cabinet who should now be asked to match Ms Clark's candour on the defence and foreign policy issues we face.

/12828
CSO: 4200/1050

DATE UNDECIDED FOR ENACTING ANTI-NUCLEAR LEGISLATION

Wellington THE EVENING POST in English 30 Apr 86 p 8

[Text] No indication was given to visiting members of the Japanese Socialist Party that anti-nuclear legislation would be passed on Hiroshima Day, August 6, Prime Minister David Lange said yesterday.

The Post reported last week that the JSP delegation was delighted to hear of the gesture to mark August 6 by enshrining anti-nuclear law on that day.

Answering a question in Parliament yesterday, Mr Lange said that report was "quite wrong."

However, Mr Lange admitted there had been discussion with the delegation as to when the legislation might be enacted.

As for August 6, the Bill would have to go before a select committee; also, that day was a Wednesday, private members' day.

"This Government has no intention of hijacking private members' days," Mr Lange said, to outbursts of laughter from the Opposition.

It was pointed out by the Opposition that that was just what the Government planned for today, private members days, by taking urgency on Government legislation.

At the time, Mr Lange responded by saying "tomorrow is another day."

● The Post's report was compiled from comments by members of the Japanese Socialist Party delegation made at a press conference held after their meeting with Mr Lange.

/12828
CSO: 4200/1050

NEW ZEALAND

NATIONWIDE FARM PROBLEMS PROMPT MARCH ON CAPITAL

Wellington THE EVENING POST in English 30 Apr 86 pp 1, 3

[Text]

Farmers from all over the country began converging on the Capital as early as 5.30 this morning — many travelled all night to get here — ready for the protest march to Parliament.

Some were talking blockades and revolutions, others were a little more restrained in their comments. But all were angry at the treatment they say farmers are getting from the Government.

Among the first to arrive were busloads from North Auckland. Others had come from Canterbury and more were expected from as far south as Gore.

At 1.30pm, just before the march was due to start, police "roughly" estimated the protest size at 10,000. Marchers stretched from Bowen St back to Victoria St.

They began milling around the Civic Square at mid-morning. Banners and signs pointing out the desperate plight of farmers were at hand.

One, the Kaipara sub-provincial president of Federated Farmers, Bob Larsen, of Kaiwaka in Northland, told the Post the Government must reduce the interest rates and to do that it must cut its spending "to the stage where it doesn't have to borrow on the market."

When asked in what areas the Government should reduce its spending, he said:

"We, as farmers don't set ourselves up to direct the Government to say how it should reduce its spending."

Other Northland farmers who travelled all night to attend today's rally agreed that interest rates must be lowered.

Kaiwaka dairy farmer Allan McCracken, 30, who has owned his property for a year, says the Rural Bank used to lend money at an interest rate of 7.5 percent in about 1984. But that had increased — to 10 percent in some cases, and in other cases like his, to 13.5 percent.

"The Government has to keep the interest rates down to around the old level of less than 10 percent, for the new farmers at least and eventually for all farmers."

He said he presently had an annual budget of $7500 for living expenses, including insurance, for himself, his wife and their four children.

Denis Hiestand, an Ashburton dairy farmer sporting a placard attached to a pitchfork, said he was in Wellington "basically because I'm going broke."

"I'm hit quite badly now and will be more so next year." He blamed the exchange rate and tariff protections still in force — they were costing the average farmer $20,000 a year, he said.

"Why should myself and my wife live on $4000 a year? We don't want to make a fortune but for God's sake don't we deserve a living wage like you? Where's the justice?"

The mood of the farmers was angry and if something was not done soon then the next step would be to isolate Wellington, Mr Hiestand said. Blockade it, no food in, no people in.

"That's the mood of the country people," he said. Others around him nodded in agreement.

Wellsford bull farmer Geoff Worker approved of the freer market policy the Government was following, but believed it was adopting it too quickly and unevenly.

"You can't go and buy an overseas product off the shelf without some duty which protects our own, manufacturers.

"I don't know whether it would be right for the country if they took these duties off.

"But if it's right for the farmers to be in the open market with no subsidies, why not everybody?"

An immediate relief for farmers would be a devaluation of the dollar which would earn the farmers more for their exports, Mr Worker said.

Reduction

Other farmers told the Post they did not want subsidies reintroduced, but a reduction in the interest rates.

Others were concerned that the new livestock tax which might mean a bigger tax bill for some farmers but have no effect on others, should be at least delayed for two or three years.

Message

Robert Pickering, a North Canterbury mixed farmer, said this would be one of the final efforts to get the message through to the Government.

"This is the last chance. Otherwise there will be a revolution instead of an evolution," he said. Again others around him nodded in agreement.

Wellsford dairyfarmer Dallas Grant, whom others described as an "established" farmer with a big herd, said the Government must reduce interest rates across the board.

He says he is paying 32 percent interest on the money he has borrowed over his overdraft from his bank, as well as 24 percent interest on other short term borrowings, and 13.5 percent on a small loan from the Rural Bank.

He says for this 1986-87 year, which begins on June 1, he will make a loss of $40,000.

"The only option I've got is to borrow more money, which will make the situation worse."

Butterfat

In Northland dairyfarmers for the 1985-86 season are being paid $4 a kilo for butterfat, compared with $4.15 in the previous year.

But the dairy industry has had to exhaust its reserves of cash to make that $4 payout this year, and the dairyfarmers fear than next year their payout could be down to $3 per kilo of butterfat — a 25 percent drop in income.

Sheep and beef farmers say they are facing a 50 percent drop in income.

"I was paid $19.90 in June last year for store lambs, but this year I will get $5 each for a similar lamb," said Wellsford sheep and beef farmer Dennis Gaskell.

Market

Bill Browne, fattening farmer from Wellsford: "We were getting $2.60 a kilo for fat cattle for the Auckland market this time last year. Now we might get $1.85."

Mr Gaskell was also concerned that from about two months ago farmers had to pay business rates for their telephones rather than the cheaper private rates as in the past.

A Wellsford farmer who grazes dairy cattle, Brian Wall, said this move had seemed unnecessary considering the profit the Post Office had been making year after year.

Dan Duffy, a sheep and beef farmer from the Waikato who has been farming all his life, is on his second farm which he bought a few years ago.

"I bought it at market rates and my total interest bill this year has risen $36,000. Now, how in the hell can I continue with the drop in prices I'm getting for stock and the high value of the dollar and the high interest rates?

"The Government seems hell bent on bringing the value of land down," Mr Duffy said.

Down drain

He put half a million dollars of his own money in to the property and now the land is worth only 40 percent of a Government valuation done 18 months ago.

"Which means all our equity is down the drain. We have got nothing."

But Mr Duffy pointed out that farmers would not be taken from their farms easily. Many were from a background of farming.

"What the Government doesn't seem to understand is farmers are very much like Maoris. They love their land and they're not going to see anybody manipulating Government moves to force them to leave their farms.

Fight to death

"They're going to fight to the death," Mr Duffty said.

While many farmers wives had stayed at home to look after the farms a few had come along in support. Margaret Matheson, who is in partnership with her husband on a Tekauwhata beef farm, said she was particularly concerned about the effect of the crisis on the rural communities.

Families were leaving these areas and school roles were dropping making education difficult, she said.

And there were the emotional problems too, Mrs Matheson said.

"Farmers who have worked all their lives on farms think they're failures — and through no fault of their own. There have been about 15 suicides in the Waikato area over the last six months," she said.

Wife of Kaipara sub-province Federated Farmers president, Mrs Judith Larsen, said she becomes depressed herself when she answers the telephone to hear farmers and their wives talk of the stress and depression they are feeling.

"Most of the day I answer the phone." The callers want to speak to her husband, but if he is not in the house she takes the messages.

"I'm also concerned the city people still don't realise what's happening.

Feeling pinch

"It is going to affect the whole country when we do contribute such a large proportion of export earnings."

Business such as stock carriers, top dressing firms and farm machinery stockists are also feeling the pinch, she said.

The farmers say they know of some such companies in Northland which have gone into receivership and others are struggling to stay in business because farmers can not afford to buy their services.

/12828
CSO: 4200/1050

MOORE URGES RURAL SECTOR TO FACE TRADE CHALLENGES

Wellington THE EVENING POST in English 30 Apr 86 p 3

[Text] **Overseas Trade Minister Mike Moore today urged the country in general, and farmers in particular, to "get off their backsides" and face future trading challenges.**

Speaking to the Wanganui Chamber of Commerce, Mr Moore said New Zealand now faced some of its biggest trading challenges ever. It was, he said, a war without guns.

"But the best fighters, as in war, are volunteers. Some New Zealanders are still waiting to be conscripted by subsidies.

Hurling

"Some say they serve by wearing out their shoe leather on the front steps of Parliament today (referring to the farmers' protest) and by hurling eggs, thinking that will solve their real marketing problems on the other side of the world," he said.

"But the truth is, this country needs to get off its backside." Farmers had to face the real world, he added.

Trading challenges included maintaining New Zealand's access for agricultural products in the EEC, and taking the first steps in re-writing the world's trade rules.

Knockers

While there were challenges abroad, one of the biggest problems was at home, Mr Moore said.

"It has to do with igniting the will to excel and to win. We need to challenge some of the tired old institutions, and discard the knockers, the blockers, bureaucrats and others who stand in the way."

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CSO: 4200/1050

NEW ZEALAND

GAP-FILLING CONSTITUTION BILL INTRODUCED IN PARLIAMENT

Wellington THE EVENING POST in English 30 Apr 86 p 9

[Article by Tim Grafton]

[Text]

Vexed questions about who was governing the country in the crisis that followed the July 1984 election fuelled debate in Parliament yesterday.

The wrangling came as leader of the House Geoffrey Palmer introduced the Constitution Bill — a Bill, which National's Justice spokesman Jim McLay said was "probably the most significant constitutional measure to come before the House since the 1956 Electoral Act."

Mr Palmer said the Bill had two main purposes. It clarified the rules relating to the transfer of power following a general election and brought together in one statute the most important constitutional provisions in existing law.

The Bill also ends any power the United Kingdom Parliament has to make laws for New Zealand.

Muldoon

However, debate on the Bill drew former Prime Minister Sir Robert Muldoon to address the events immediately following election day, particularly Monday, July 16, and the following day.

That period was dominated by the flow of foreign exchange out of the country and whether New Zealand should devalue.

"The reality of what happened at that time was not a constitutional crisis. It was a matter of ignorance of what the law provided. I was the one that was ignorant and I don't apologise, because I was in very good company," Sir Robert said.

A leading authority on constitutional law, the late Quentin Baxter, said at the time the solution was easy. The Government resigned and the new Government took over, Sir Robert said.

"It was my belief from election night that we could resign as a Government, the new Government could come in and do what I did not personally wish to do and still believe was wrong, namely, devalue the dollar," he said.

It was on the Monday night, once the Prime Minister elect, Mr Lange, had publicly decided to devalue that it was quite impossible to hold it, he said.

McLay

"It was on the following morning, the Tuesday morning, that the Attorney-General (Mr McLay) came into my office to be greeted by me with the words 'we've got to devalue'," he said.

Mr McLay then informed Sir Robert of a clause that made it impossible for the Muldoon Government to resign, because nobody could replace its members until the election writs had been returned to officially create MPs, he said.

In response to Sir Robert's comments, Mr Palmer said the member for Tamaki had tried to rewrite history. On that Monday night, Mr Palmer said, Sir Robert told a television audience that he would not devalue as long as he was Minister of Finance, and there was no indication then that he was giving that office up in the immediate future.

"The constitutional crisis was that the Government in office would not act and the Government that had been elected could not act.

"And that was only resolved in fact by the intervention of the member for Birkenhead (Mr McLay), who pointed out in my view to the member for Tamaki, what the correct constitutional position was," Mr Palmer said.

The correct position, he said, was that the outgoing Government act on the advice of the incoming Government.

Fortunate

"Let no one doubt that we had the makings of a first-rate constitutional crisis on that occasion. And we were very fortunate it was resolved as quickly as it was, because if it had not been this country would have suffered irreparable harm," he said.

"And let there be no doubt that at the time the member for Tamaki was still legally in charge. He was still Prime Minister and Minister of Finance and he would have remained so until the Governor-General either allowed him to resign or dismissed him," he said.

If the situation had persisted any longer, thought would have had to have been taken by the Governor-General to dismiss Sir Robert or allow him to resign, Mr Palmer said.

"It really will not do to say

there was no constitutional crisis. There was and that is the occasion for this Bill," he said.

Essence

In essence, to smooth the transfer of power after an election, there will be no MPs until the writs from the various electorates have been returned. In practical terms, though, the result of the election will be known.

So, this Bill allows for new Ministers to be sworn in, and they will merely await official confirmation. Should that not come through, the appointed Minister must step down within 40 days of election.

On another aspect of the Bill, Mr McLay said he regretted that it enshrined in New Zealand law two parts of the UK Act of Settlement of 1701. These were that the first-born of the sovereign succeeded to the Throne and that no Catholic could succeed to the Crown.

Mr Palmer said that was the position at present; attempts to change that would create a great deal of problems.

The Bill also removes the Governor-General's power to withhold assent to a Bill passed by Parliament.

Other changes include a requirement for the House to resume not later than six weeks after the return of writs from an election; the election and term of the Speaker; and how High Court judges may be suspended or removed.

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CSO: 4200/1050

EDITORIAL FAVORS MULTIPARTISAN CONSTITUTIONAL COMMISSION

HK161009 Quezon City ANG PAHAYAGANG MALAYA in English 9 May 86 p 4

[Editorial: "A Multi-partisan Con-Com"]

[Text] The Aquino Government should consider seriously a proposition ventilated by Mr Blas Ople that opposition leaders be also appointed to the Constitutional Commission [Con-Com] to inject into that body a stamp of multi-partisan support. It is the height of presumption to think that the new government has a sole monopoly of honest and knowledgeable men all of whom would satisfy the criteria that the Con-Com members be of "known probity, independence, patriotism and nationalism. Unless of course, the government has the likes of Mr Arturo Tolentino in mind. [single quotation mark is as published]

In offering the proposal as chairman of the Partido Nacionalista ng Pilipinas (PNP), Mr Ople may not be able to claim the noblest of motivations since his past record as a KBL did not exactly identify and ennoble him as a fiscalizer of the most abusive regime this country has ever known. His "interregnum" statements and other calibred observations on the prevailing milieu, it must be mentioned in fairness to him, had stretched his distance in personal and official relationship with the reigning tyrants, but many had wished he had done more. Nevertheless, the fact that he tried to do his thing during those parlous days when practically the whole KBL could only bleat like a herd of sheep to every whim and caprice of the Marcoses may be counted in his favor.

The PNP stand against a boycott group in the last elections which presently is "most vociferous in demanding that former political henchmen of the deposed President be barred from membership in the commission" is well taken. For indeed, the question begs to be asked: Where were they when the going was rough? Did they do anything by way of toppling the hated Marcoses, other than straddling the fence, while others were sacrificing life and limb and a fortune for the cause? In considering their present stance, Mr Ople makes a logical distinction: "These elements who have boycotted the last presidential election seem to be making up for their lapse in judgment by waging a campaign to dominate the commission."

The indictment seems valid viewed from the light of past performance. Certainly, no left-leaning organization who cannot even stand up to be counted during the darkest days of the regime has reason now to besmirch or belittle the Marcos lackeys who were, in the first place, expected to do no better. If they could sit idly by and simply watch while the nation underwent a trauma of historic proportions, they have forfeited the right to seize "any initiative in deciding, the most [word indistinct] issues" involving the nation in the forthcoming constitutional convention.

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CSO: 4200/1036

COMELEC OFFICIAL, COLUMNIST VIEW CONSTITUTIONAL COMMISSION

COMELEC Chairman Makes Proposals

HK161515 Quezon City BUSINESS DAY in English 16 May 86 p 13

[Text] Commission on Elections (COMELEC) Chairman Ramon H. Felipe Jr has submitted proposals for the deliberation of the Constitutional Commission [Con-Com] of 1986 which is scheduled to convene June 2 to draft a new constitution that will replace the provisional Freedom Constitution of the Aquino Government.

Felipe proposed that jurisdiction over electoral contests involving the legislative (whether unicameral or bicameral be given back to the respective electoral tribunals of the legislative body.)

Felipe, however, wanted the COMELEC to have jurisdiction over electoral contests for municipal and Barangay offices. The COMELEC chairman nevertheless set a condition: "The reception of evidence may be delegated to the regional directors (of COMELEC), provincial supervisors, or election registrars who are members of the bar."

The decision of the COMELEC on electoral contests involving municipal and Barangay officials should be final and non-appealable, but those involving provincial and city officials may be appealed on certiorari to the supreme court with 20 days, Felipe added.

As regards public officials running for office, Felipe asked the Con-com which will be crated by President Corazon C. Aquino to make such officials considered resigned upon the filing of their certificates of candidacy.

"If the presidential system is revived, the two-party system should be strengthened; but if the parliamentary is adopted, then a multiparty system with proportional representation in parliament should be adopted," Felipe said, adding that this may be adopted provided political parties are organized as corporations.

Felipe further said "if political parties are organized as corporations with annual election of officers, then turncoatism should be strictly outlawed."

The COMELEC chairman also recommended that a constitutional provision be inserted which will prohibit the replacement of a disqualified nuisance candidate by another candidate.

As regards voters, Felipe batted for the abolition of voting by illiterates. "Many of them have no way of knowing the name of the candidates written on the ballot by their assistors," he explained.

"Residence or domicile for purposes of registration and voting should be redefined to discourage double registration or proliferation of flying voters." Felipe said.

On the COMELEC itself, Felipe proposed that the name of the poll body be changed to Tribunal on Suffrage. This is to remove the stigma of its past and improve its eroded image, Felipe added.

The composition of the poll body should be reduced to only seven and they will have a uniform term of seven years, he said.

Felipe said the COMELEC should have a sufficient budget which should be released automatically every quarter or semester and subject to auditing rules and regulations.

On political campaigns, Felipe recommended that all election materials, whether accountable forms or not, be done by the bureau of printing.

"All radio and TV stations, owned by the government or by private corporations, shall give free of charge equal time and prominence of not less than 30 minutes weekly at least to an accredited political party. Its candidates may demand that at last one such weekly program of not less than one hour be common for all political parties and their respective candidates in the format of a debate," Felipe suggested, adding that no such debate shall be cancelled by reason of the absence of any candidate.

The COMELEC chairman also made these proposals to for the deliberation of the Con-Com:

--Members of accredited citizens' arms should be made members of board of inspectors and board of canvassers,in place of the COMELEC officials.

--Appointment of new employees, creation of new position, promotion or giving salary increases should be absolutely prohibited during the election period.

--Release, disbursement or expenditure of any public fund for any and all kinds of public works, except emergency work, should be absolutely prohibited.

--Suspension or removal of any public fund for any and all kinds of public works.

--Suspension or removal of any elective or appointive public officials or employees, whether national, provincial, city, municipal or Barangay, should be absolutely prohibited during the election period, unless for a crime properly filed with a court.

--Construction of any public works, except emergency work on the issue, use or availment of treasury warrants or any device undertaking future delivery of money, goods or other things of value chargeable against public funds shall be strictly prohibited.

Columnist on Importance of Delegates

HK161539 Quezon City BUSINESS DAY in English 16 May 86 p 4

["My Cup of Tea" column by Ninez Cacho-Olivares: "For All Our Sakes"]

[Text] I never thought I'd live to see the day I'd actually be in agreement with former KBL assemblyman Manuel Garcia. Said he on the formation and appointing of delegates to the Constitutional Commission: "The right way is not for one person to select but for the people to elect members to a constitutional convention."

I buy that. But at this particular time, and with Mrs Aquino bent on meeting the May 25 deadline, it is perhaps futile to argue the point. Mrs Aquino appears to be in a hurry to move out of a provisional government and into a constitutional government. And with the ratification by the electorate of a new constitution, questions on her government's "legitimacy" will finally be laid to rest. Then, with the forthcoming election of lawmakers and local officials, hopefully, the political climate will finally stabilize.

Furthermore, the military, "constitution-oriented" traditionally, will perhaps slide back into its apolitical role and abide by the constitutional provisions with fervor, knowing that the fundamental laws, whether written by elected or selected delegates, have the approval of the nation.

But what will the selected delegates,working under time pressure, bat for? The parliamentary, the presidential, or the federal system of government?

It was reported recently by Political Affairs Minister Antonio Cuenco that the Aquino Government will bat for the revival of the presidential system of government with a bicameral congress. He gave two reasons for this: One, that the parliamentary system under Mr Marcos was a failure and two, that the presidential system was more suited to the customs and traditions of the Filipino people.

I will agree that the parliamentary system under Mr Marcos was a failure. But it was designed to fail. Under Mr Marcos and his rubber stamp KBL, any system of government was doomed, except his dictatorship. Mr Marcos did not give the parliamentary system a Chinaman's chance to flourish. During the so-called "transition" period, it was the Marcos "presidential" system that was in place. The "presidential" system was further strengthened when the Marcos Constitution was amended to include a vice-presidential successor. What we had was an unbridled presidential authority grudgingly allowing a unicameral legislative body to share in its law-making powers. What we had was a system that vested awesome powers on the Philippine president. What we did not have in the system was the necessary checks and balances, thus paving the way for wanton government abuse.

Is the presidential system more suited to the customs and traditions of the Filipino people? Perhaps. It is after all the only system we knew and experienced before the entry of martial law and strongman rule. And while the system was imperfect, it did work, to a certain extent, for the Filipinos and would have survived had Mr Marcos not thought of instituting martial rule and fashioning his own constitution to perpetuate himself in power.

On the other hand, if Mr Marcos had not interfered and had stepped down when his term was up and the pure parliamentary system of government was adhered to strictly, the nation would perhaps have gotten used to this system and would have perhaps discovered it to its liking. One can never tell.

But whatever system the Filipino people will approve or reject come plebiscite day, what is of importance is that, with the opportunity to rewrite our charter with the atmosphere of freedom present, the nation must see to it that the liberties of man can never be abridged by government, that the powers of the president, under a presidential system or the prime minister, under a pure parliamentary system, are clipped, that emergency powers cannot be called upon at whim, that the three branches of government are really and truly co-equal and independent of one another, that the president should no longer be given the power to legislate or be granted the lifetime privilege of immunity, and that a strong system of checks and balances be provided for.

Mr Cuenco reportedly indicated that the adminstration wants the duration of martial law, whenever legitimately declared, to be limited to only 30 days. Furthermore, he was said to favor a six-year presidential term with one reelection. This, to me, it too long a term for any president, even a democratic one, to have. Twelve years of the same leadership? Is the Aquino Government already thinking of reelection and staying on in power for the next 12 years?

Perhaps instead of lobbying for a presidential system of government and batting for a presidential six-year term with one reelection, the Aquino Government should make certain that the Con-Com delegates be left free from any undue presidential influence and pressure in their job.

Our Con-Com should resist pressures and stop thinking of repaying whatever debt of gratitude they may feel they have. If they have to owe anyone, they owe the Filipino people. And they have to strive to translate the Filipino's dreams and aspirations as a nation.

We had elected Con-Com delegates in 1971, placing our hopes and trust on them. They failed the nation miserably as they came up with a constitution that made it possible for one man to subjugate and debase a nation.

Today, there is again that opportunity to rewrite that fundamental charter for the Filipino people.

The government and its appointed delegates had better not betray the Filipino people.

For the sake of the country.

For the sake of the nation.

And for the sake of the Filipino who aspires for nothing more than a better and free country for him, his children and his great grandchildren.

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PHILIPPINES

GOOD GOVERNMENT COMMISSION SEQUESTERS 180 FIRMS

HK161525 Quezon City BUSINESS DAY in English 16 May 86 p 11

[By Ramon R. Isberto]

[Text] Ten weeks in operation, the Presidential Commission on Good Government [PCGG] has definitely moved into the big time of the corporate world.

As of yesterday, the PCGG has sequestered either the documents, assets or shares of stocks, or all these - lock-stock-and-barrel -- of almost 180 corporations, institutions, museums, newspaper companies, resorts, etc., where ousted President Marcos and his associates are suspected to have "illegally acquired holdings."

The commission has not yet estimated the total value of the sequestered assets. BUSINESS DAY tallied the total assets of about 46 PCGG-listed corporations which have either been sequestered or shares of which have been sequestered, and came up with this sum: P52 billion.

The liabilities add up to P42.73 billion; stockholder's equity is P9.32 billion; gross revenues total P29.25 billion: and combined income is P1.39 billion.

These figures do not refer to the actual value sequestered. But if the interests of Marcos and his associates comprise the controlling blocks in the various enterprises, then these figures provide a gauge for measuring the business clout of these interests.

The combined gross revenues of these 46 establishments comprise about 5 percent of the 1984 gross national product -- the total output of goods and services of the Philippines that year.

A partial list -- of 144 establishments -- released yesterday by the PCGG shoed the extent of Marcos interests in business. Some hitherto unpublicized cases of sequestration show up in the list -- such as that of Pilipinas Shell Petroleum Corp.

Last April 14, or a month ago, the PCGG sequestered First Philippine Holdings Corp's 25 percent interest in Pilipinas Shell. Alleged to have been controlled by the Benjamin Romualdez group, first holdings' interest in Shell had a book value of roughly P360 million as of end 1985.

On the same day, the commission also sequestered the Philippine Jai-Alai Corp, another Romualdez firm. Franchise holder for Jai-Alai facilities in various parts of the country,the company had total assets of P147.4 million as of 1984.

On April 17, the CPGG sequestered interests in Challenge Corp of the Philippines suspected to be owned by Eduardo Cojuangco Jr.

A week later, alleged Cojuangco interests in 14 other companies were sequestered. These included E.M. Cojuangco & Sons Agricultural Enterprises, Inc., Filsov Shipping Agency, Universal Motors, Inc. and Commercial Motors Corp.

At about the same time, the commission sequestered assets of Roberto S. Benedicto in Traders Royal Bank, Republic Planters Bank, the PHILIPPINE DAILY EXPRESS, Universal Molasses Corp, and 21 other enterprises that included several haciendas.

The names of five close Marcos associates dominate the PCGG list. Antonio c. Floirendo and Cojuangco top the list with 37 companies each. Twenty-five Benedicto-linked companies have been sequestered. Benjamin romualdez accounts for a further 16 and Jose Y. Campos, 13.

The sequestered assets cover a wide range of enterprises: banks, mining companies, holding companies, agricultural firms, plantations and ranches, motor vehicle retail firms, shipping companies, realty firms, casinos, museums, condominiums (at Legaspi Towers) coconut oil mills, insurance firms, wood manufacturing outfits, TV-Radio stations, newspapers, port service firms, and trading firms.

First holdings acquired its 25 percent interest in Shell in 1975, a year after Romualdez interests (through Palm Avenue Realty) bought into Benguet Corporation.

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CSO: 4200/1036

CORPORATE INVESTMENTS REPORTEDLY DECLINE

HK161616 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 16 May 86 pp 9, 11

[By Joel Gaborni]

[Text] The unstable political and economic conditions in the country continued to take their toll on fresh corporate investments, which during the first four months of the year dropped by 52.5 percent compared to the same period in 1985.

According to the Securities and Exchange Commission (SEC), the total amount of fresh capital infused by new and existing enterprises (corporations and partnerships) from January to April reached only P1,200.9 million over P1 billion less than last year's four-month figure of P2,532.5 million.

Of the total figure, investments by new enterprises accounted for P457.2 million, dropping by 60.2 percent compared to P1,149 million equity infusion by new companies last year.

The additional or expansion investments made by existing companies also dropped by P639.8 million to P743.7 million from the preceding year's figure of P1,383.5 million.

For April alone, the SEC reported that some 416 new stock corporations and partnerships were organized. They brought in some P96.1 million in fresh capital. Compared to the March level, the number of new enterprises went up by 7.2 percent from 388, while in terms of capital infusion, the increase was by 30.4 percent of P22.4 million.

The capital infusion by new enterprises during the month raised to P390.6 million the total fresh investments recorded by the SEC. About P294.5 million of this amount was contributed by existing enterprises.

The April investments were 164.2 percent more than the investments the previous month, which the SEC reflected the return of confidence by small business entrepreneurs in the new government. [sentence as published] SEC officials said that the bulk of new entrants last April were small business firms, indicating that the prevailing attitude among small businessmen is not affected by the wait-and-see attitude of big-time investors.

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CSO: 4200/1036

BROADCAST CITY GETS ADDITIONAL ADMINISTRATOR

HK161531 Quezon City BUSINESS DAY in English 16 May 86 p 10

[Text] Business leader David SyCip is set to join the board of administrators overseeing Broadcast City's three television networks.

Broadcast City houses Radio Philippines network or Channel 9, Intercontinental Broadcasting Corp. or Channel 13, and Banahaw Broadcasting Corp or Channel 2.

Francisco Licuanan III, acting chairman of the board, said SyCip was in the original list of persons for appointment to the board created by presidential executive order mid-April.

However, SyCip was abroad then and his acceptance of the appointment could not be obtained, Licuanan said.

Last April, Information Minister Teodoro Locsin Jr. named five of the board's seven members: Licuanan III, Manuel Morato, Ninez Cacho-Olivares, Virgilio Yuson, and Ricardo Nepomuceno.

Nepomuceno recently resigned. Licuanan said Nepomuceno has been assigned a government post. According to the executive order creating the board, all the members must be from the private sector.

Licuanan is a senior vice-president of Ayala Corporation. He was named officer-in-charge in Broadcast City last March 1. When the board of administrators was created, he became its acting chairman.

Morato represents "the business orientation with artistic inclination" in the board, Licuanan said.

Cacho-Olivares is a columnist of BUSINESS DAY and formerly a newscaster in a station at Broadcast City.

Yuson represents advertising agencies which account for much for the revenues of the Broadcast City networks.

The executive order authorizes the board to manage the three networks which total 14 TV stations and 27 radio stations.

Licuanan said the board has influenced programming in the networks but that it has also formed "programming committees" which include all officials who may be involved in programming, such as the program manager or director, production manager, sales manager, and merchandising manager.

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SURVEY SHOWS RISE IN VALUE OF PRODUCTION INDEX

HK161543 Quezon City BUSINESS DAY in English 16 May 86 p 2

["Economic Indicator" column: "Value of Production Index Up"]

[Text] The value of production index of key manufacturing enterprises in February improved 3.34 percent from the year ago level, a survey conducted by the National Economic Development Authority (NEDA) showed.

NEDA conducts a monthly survey covering some 400 firms which provides the basis for the derivation of various manufacturing indices. The survey showed that the value of production index for February, using 1985 as base year, stood at 101.9 index points, up by 3.3 index points from the previous year's 98.6 index points.

The improvement could be attributed to the general increase in prices of raw materials and other inputs.

The production index measures the cost incurred by a manufacturing firm in producing goods and services for a particular month during a reference year compared to its corresponding figure during the base year. Generally, it includes the cost of direct labor, raw materials and the manufacturing overhead.

Among the different manufacturing subsectors, five registered increases in their value of production indices. These were: petroleum products, 64 percent from 87.8 index points to 144 index points; basic metals, 11.72 percent from 80.2 index points to 89.6 index points, wearing apparel, 13.7 percent from 81.4 index points to 92.6 index points, tobacco, 7.2 percent from 90.3 index points to 96.8 index points; and non-metallic mineral products, 1.28 percent from 93.6 index points to 94.8 index points.

Index of Value Production of Key Manufacturing Enterprises, by Industry
February 1985 to February 1986
(1985 Equal 100)

1985

	February	March	April	May	June	July	August
All sectors	98.6	104.1	99.1	105.3	96.9	96.4	97.8
Food	101.0	108.0	98.4	99.3	102.3	98.3	96.0
Beverage	94.0	103.2	108.0	109.3	100.5	90.9	92.7
Tobacco	90.3	103.9	90.7	106.1	93.5	102.6	105.1
Textile	97.1	104.5	72.8	92.6	98.6	107.3	102.6
Wearing Apparel	81.4	87.1	86.5	100.2	93.9	110.2	107.1
Wood & Wood Prod	123.6	119.3	121.6	112.6	105.9	99.0	95.0
Paper & Paper Prod	111.0	104.1	118.1	92.2	86.6	92.6	96.7
Chemical & Chem Prod	106.5	91.8	99.6	97.4	84.8	93.6	93.1
Rubber Products	105.5	97.7	85.5	94.8	83.1	101.2	105.5
Petroleum Prod	87.8	97.2	117.6	126.6	90.5	86.0	91.1
Non-met Min Prod	93.6	112.6	92.1	108.2	104.2	111.1	109.9
Basic Metal	80.2	94.2	96.1	113.0	86.1	93.1	110.4
Transport Eqpt	74.6	58.7	82.4	78.3	125.9	111.0	120.8
Electrical Machinery	128.6	147.1	82.2	100.4	104.5	92.5	89.9
Miscellaneous	107.2	116.0	109.0	103.8	106.2	111.2	94.9

1986

	September	October	November	December	January	February
All Sectors	88.9	103.6	101.1	108.5	98.9	101.9
Food	88.3	97.3	91.2	93.6	98.9	99.5
Beverage	92.4	92.6	100.8	106.2	80.9	76.7
Tobacco	99.6	107.4	102.2	97.5	115.5	96.8
Textile	105.9	118.2	114.1	90.6	84.8	87.0
Wearing Apparel	108.9	108.7	102.9	122.2	88.9	92.6
Wood & Wood Prod	78.2	84.7	;86.8	72.4	51.6	59.9
Paper & Paper Prod	99.8	108.6	106.9	97.1	83.2	99.8
Chemical & Chem Prod	100.0	99.5	100.9	112.6	93.3	94.4
Rubber Products	101.9	117.3	96.8	115.3	85.1	92.5
Petroleum Prod	62.0	120.8	113.0	121.7	155.2	144.0
Non-met Min Prod	93.3	71.7	89.8	114.8	92.1	94.8
Basic Metal	106.1	103.9	103.3	150.5	74.0	89.6
Transport Equip	108.8	114.9	113.6	138.6	76.2	67.6
Electrical Mach	86.0	89.3	92.7	86.7	67.3	93.1
Miscellaneous	90.5	84.4	82.6	59.8	104.4	126.3

Source: Statistical Coordination Office, National Economic and Development Authority

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PRESIDENTIAL GUARDS SACKED AFTER MALACANANG BREAK-IN

HK180802 Hong Kong AFP in English 0752 GMT 18 May 86

[Text] Manila, 18 May (AFP) -- President Corazon Aquino's personal security chief Sunday sacked an unknown number of her military bodyguards and ordered an investigation into a mysterious break-in at the presidential palace.

The move followed an announcement that the bedrooms of deposed President Ferdinand Marcos and his wife Imelda at Malacanang at their former palace were broken into early Saturday, the second such incident in less than a month.

Presidential Security Group Chief Colonel Voltaire Gazmin said "key officers and men" assigned to Malacanang palace were relieved and replaced with a new set of military guards as a result of the incident.

He did not say how many officers and men were relieved. The actual size of Mrs Aquino's security detail is a state secret.

Col Gazmin said in a press statement that his office was conducting a joint investigation into the intrusion together with the National Bureau of Investigation and the paramilitary constabulary [as received] "to preclude any impression of a whitewash."

"The investigation is being centered on the military personnel assigned as security to the palace. However, the extent of the investigation is also with the other people who have access to the palace," he added.

He did not say whether anything was missing or indicate how many people were believed involved in the break-in. The palace was guarded by 10 soldiers that night.

Malacanang is now a popular public museum showcasing the luxurious lifestyle of the Marcoses, who fled into exile late February in the wake of a popularly-backed military revolt. Mrs Aquino holds office at an adjacent building.

/12929
CSO: 4200/1036

PEOPLE'S REPUBLIC OF KAMPUCHEA

INDUSTRIAL REVIVAL, CAPACITY REPORTED

Hanoi VIETNAM YOUTH in English No 1, 1986 pp 27, 28

[Article: "Kampuchea's Industry in Steady Development"]

[Text]

In keeping with the country's renaissance, Kampuchean industry has been developing incessantly. By now, almost 90 per cent of the old factories have been humming again after long years of inactivity under the Pol Pot regime.

After liberation (Jan, 7, 1979) — one would still remember — all the enterprises were in utter desolation with machinery and equipment destroyed or dismantled. The majority of workers and technicians had been massacred by Pol Pot and the few surviving ones were dispersed almost everywhere in the countryside. In response to the appeal of the People's Revolutionary Committee, they returned one after another to ressuscitate their beloved factories. The most urgent problem at the moment was water and electricity for the capital city. In a very short time, three power plants of a capacity of 20,000 kw in Phnom Penh began functioning again. With electricity and water available and workers at hand, with the help of experts from Vietnam and other brother countries, the enterprises were rehabilitated one after another.

Since then, Kampuchea's industry has made rapid strides. Every year, the value of industrial output doubled. This tempo will still continue for a few years to come. In 1983, the whole industrial branch set to economic accounting, began doing business with interests and assured an important part of the income source for the State budjet.

Kampuchean industry, though still of no large scale, is already on a par with the whole nation's economy. Its structure includes almost all the essential branches such as electricity, engineering, chemicals, building materials, textile, light industry, foodstuffs, etc... In time of stabilization, its production capacity can reach a level like this: 30 million meters of cloth, 4,500 tons of paper, 200 million packs of cigarettes, 2 million litres of liquor, 15 million bottles of syrup, 8 million litres of beer, 50,000 car tires (inner tubes included) etc...

The branch of production of car tires and processed rubber articles is one of the strong points of Kampuchean industry. The Czechoslovak-equipped Tak Mau car tire factory of a capacity of 120,000 units per year can produce tires of 11 different sizes. Since its rehabilitation, it has turned out more than 20,000 assorted tires, part of which for export. At present, with Czechoslovak aid, the Tak Mau factory is striving to achieve the re-instatement in the initial capacity.

Bicycle tires and Kampuchean soft sandals are commodities much in demand. Many countries have ordered the latter article at as great quantities as millions of pairs. Kampuchea has a great capacity in production of rubber latex and its output of rubber as raw material is increasing rapidly, meeting not only the need at home, but also export requirements in great quantities.

The textile branch is set up in three main areas: Phnom Penh, Konpongcham and

Battambang. Against great odds, it has been rehabilitated in the main. Though the output is not important yet, the articles are rife and variegated with numerous sorts of printed stuffs and sarongs of typically national colors.

Cigarettes also represent a forte of Kampuchea's industry. Kompongcham, Kandal, Kratié are traditional tobacco-grown regions with tens of thousands of hectares put under baccy. Three cigarette factories with a total capacity of 200 million packs have resumed functioning by 1 or 2 shifts per day. This year, the cigarette output has reached 50 million packs and will soon increase 2-3-fold so as to reduce the amount of illegally imported cigarettes and step up exports, contributing to uplift the State budget.

Other enterprises of the light industry and foodstuff branch such as alcoholic liquors, aluminium, plastic, ceramics, paper etc... have functioned normally again, assuring an important part of the people's requirements in consumables.

The engineering branch is step by step bringing into play its positive effect on the communication and transport and other branches of production in the supply of equipments, tools, spare parts... and repairs, especially in the service of agriculture. It is now striving to produce bicycles, tractor pieces, high-capacity husking machines and build lighters...

With Soviet aid in equipments, the young building industry of Kampuchea has grown up rapidly. The National Building Company of the Ministry of Industry takes in charge most of the major works, including the construction of the electric plants in Phnom Penh, Kompong Cham, Kompong Som, Battambang, Siem Reap. By the end of 1984, the national grid are to reach a total capacity of over 35,000 kw, according to plan.

Alongside the development of centrally-run industry, regional industries and handicrafts have been rapidly rehabilitated. Handicrafts have been concentratedly oriented toward production of common consumables, processing of agricultural products, repairs and service... The production of *thot-not* sugar, a Kampuchean specialty, is entirely assured by the handicraft branch with a yearly output of thousands of tons. Handicrafts vigorously develop even in such enemy-plagued frontier provinces as Battambang, Siam Reap, Parsak, Predvihir.

The contingent of industrial cadres and workers never ceases to increase. At the liberation, there were only a little more than 40 surviving engineers and middle-level technicians. This figure now rises to the hundreds. Apart from the cadres formed on the spot through practical production, a number were sent to be trained abroad.

In its relations of cooperation with Vietnam, Kampuchean industry has received wholehearted assistance from its Vietnamese counterpart in all fields: electricity, engineering, building, chemicals, light industry, foodstuffs.

The past five years mark an important step forward of Kampuchean industry on the path of socialist industrialization which promises greater successes in the future.

/9317
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READER CALLS ON PEOPLE TO HELP STAMP OUT SMUGGLING

Hanoi DOC LAP in Vietnamese 19 Mar 86 p 7

[Readers Write column by Nguyen The Hung, Sa Dec City, Dong Thap: Stop the Black Marketeers in Hong Ngu"]

[Text] Hong Ngu District in Dong Thap Province is located next to Cambodia. Today, just as in the past, many black marketeers smuggle gold across the border here and purchase foreign goods, which they then resell for a profit. In recent years, the Dong Thap provincial industrial-commercial tax sector has made 7,460 inspections and arrested smugglers trading in state-controlled goods and contraband items. Some of these smugglers were selling gold, silver, Western drugs, foreign cigarettes, MSG and aquilaria agallocha. It has seized 75 ounces of gold, 3 kg of silver and 50 kg of aquilaria agallocha (the domestic price of type 1 aquilaria agallocha is 7,000 (new) dong per kg; abroad, it can be sold for 15,000-30,000 dong per kg). Almost all of the foreign goods that they were trying to smuggle into the country were luxury goods. The commodities and profits of the smugglers can monopolize markets and prices and create great difficulties for transforming and building our socialist economy.

In 1984, temporary business taxes accounted for 30.26 percent of the provincial industrial-commercial tax sector's total revenues. In 1985 this rose to 30.56 percent even though the black marketeers used various means to escape detection by the tax cadres. For example, they used boats and junks with double bottoms and double decks. They pretended to be transporting fish, but actually they were carrying contraband. Some used 20-liter steel gasoline containers. They hired welders to make a small hole that could hold 2-3 liters. If the container is opened, all you can see is gasoline or oil. But the bottom is filled with contraband items obtained from across the border. They used these containers to smuggle tens of kg of wrappers for rolling cigarettes, various types of filters and hundreds of Citizen watches. In order to get past the tax stations, black marketeers have hired dozens and even hundres of workers in Hong Ngu District to carry goods for them night after night to boats waiting to pick up the goods. The marketeers have even used soldiers returning home from Cambodia to escort the boats for them.

Many people who do not realize the extent of the illegal activities of the speculators and black marketeers frequently complain about the delay when tax cadres make inspections. They have not evaluated the role of these inspections correctly.

Entering 1986, as Tet of the Year of the Tiger approached, the smugglers became much more active on both land and river. We cannot just look on passively in the face of the terrible damage caused by these dishonest merchants. We must support the legitimate activiies of tax cadres and help them discover the black market centers in order to stop these people in time.

11943
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INTERNATIONAL RELATIONS, TRADE, AND AID

CPV CC GREETS CZECHOSLOVAK PARTY ANNIVERSARY

BK180914 Hanoi Domestic Service in Vietnamese 1430 GMT 13 May 86

[Text] On 13 May 1986 the CPV Central Committee sent a message of greetings to the Communist Party of Czechoslovakia [CPCZ] Central Committee on the occasion of the CPCZ's 65th anniversary. The message said:

Thanks to their creative skills and tireless work, the Czechoslovak people, led by the CPCZ, have turned their country into one with modern industry and agriculture, with advanced culture and science, where the people's material and spiritual life is improving daily.

Due to Czechoslovakia's foreign policy of peace which advocates close unity and cooperation with the Soviet Union and other socialist countries as well as with the world's revolutionary, democratic, and progressive forces, the international prestige and position of the Socialist Republic of Czechoslovakia have increasingly risen.

The Communist Party and people of Vietnam note with great joy and pride the many great successes scored by the Communist Party and the fraternal people of Czechoslovakia.

We are convinced that by implementing those important resolutions adopted at the 17th CPCZ Congress, the Czechoslovak people will be able to score many new and still-greater successes in building a developed socialist society.

We are very pleased to note that, bound together by the two countries' treaty of friendship and cooperation, fraternal friendship, militant solidarity, and all-round cooperation between the CPV and the CPCZ and between the peoples of Vietnam and Czechoslovakia on the basis of socialist internationalism have been increasingly strengthened and consolidated and have produced many very fine results.

We wish the fraternal Czechoslovak people, led by the glorious CPCZ, more glorious successes in their socialist construction, thereby contributing greatly to the struggle for peace and security of various nations in the world. May the fraternal friendship, militant solidarity, and all-round cooperation between the parties and peoples of Vietnam and Czechoslovakia be constantly consolidated and developed.

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PARTY ACTIVITIES AND GOVERNMENT

VIETNAM

1986 TO MARK NEW CHANGES IN FATHERLAND FRONT ACTIVITIES

Hanoi DAI DOAN KET in Vietnamese 17 Mar 86 p 3

[Article by Le Quang Dao, secretary, CPV Central Committee: "Making New Changes in Vietnam Fatherland Front Activities"]

[Text] Last year, the front's activities showed much progress, particularly in connection with its work at the basic level in residential areas. Many localities brought their activities to every street, hamlet, and family; did realistic work for the material and spiritual life of the masses; and stressed the spirit of solidarity and mutual help in overcoming difficulties caused by natural calamities and enemy action, contributing to building the economy and consolidating national defense, maintaining order and security, and fulfilling our international obligation. Such progress was recognized as a new development in its work in the spirit of Directive 17 of the party secretariat. This progress represents precious lessons of great significance that will help the front's activities in 1986.

However, the progress and achievements made are only at a definite level. We must see the aspects that have not yet been achieved in order to reach forward further together. For the results obtained are not commensurate with the great capabilities of our country's revolutionary masses, nor have they responded to the very heavy and urgent requirements of our revolutionary task.

We must make very great efforts in order to develop the collective ownership right of the masses, to fight violations, to promote the movement to boost production and to practice thrift, to stabilize the standard of living, and to fulfill the two strategic tasks of our country's present revolution.

Although the front's work at the basic level has obtained many remarkable results and much progress, they have been just the beginning and have not yet created various models of activities in different installations; we must have plans to review and further expand the progressive models.

The localities that have made changes and progress owed their success to an initial understanding of Directives 17 anf 53 and other directives and resolutions of the party dealing with the work for the masses. But regrettably quite a few localities and, first of all, many people in the party committee echelons, organizations of the administration, and mass organizations have failed to understand such directives; as a result, the difficulties in the front's work have not been resolved quickly enough.

The resolution of the Ninth Plenum of the CPV Central Committee has this to say: "1986 is the year that opens the 1986-1990 5-year plan, which has a very important significance for fulfilling the socioeconomic tasks and goals proposed by the Fifth Party Congress in the first leg of the transitional period. 1986 must be the year in which the collective ownership right of the working people is further developed, the revolutionary mass movement throughout the country is enthusiastically carried on, and the leadership by the party and management by the state show obvious improvement toward making strong changes in reaching the proposed goals."

However, we are carrying out Resolution 9 of the party in a situation in which there are many great economic and social difficulties. In order to continue carrying out Resolutions 6, 7, 8, and 9 of the party, there must be two basic factors: the mass movement for revolutionary action and the new management mechanism in production installations.

In this situation, the greatest task of the VFF remains the same one mentioned in the Fifth Party Congress resolution: "Upholding the solidarity tradition of all our people, the VFF must use propaganda and proselyting to encourage all strata of the population, religions, ethnic groups, and notables to enthusiastically take part in revolutionary movements and in building and consolidating the administration, strengthening the socialist law, strengthening our society's political unanimity and spirit, and developing the collective ownership right of the working people in the socialist construction and defense of the fatherland."

The principal tasks in 1986 are:

1. Further develop the collective ownership right of the working people and raise the sense of self-reliance and of overcoming difficulties to promote production and thrift and to stabilize the standard of living. Make all the people correctly evaluate the achievements that have been made, look straight at shortcomings and difficulties, see the country's favorable conditions and prospects for moving forward with confidence and a strong sense of responsibility, turn toward the party congress, and fulfill the great tasks of 1986 with the greatest results. The more difficult the tasks are, the more united our people will be as they bravely move forward. The VFF echelons must display this precious traditional lesson and actively contribute to carrying out the masses' collective ownership right, for the purpose of building the new system, the new economy, the new culture, and the new man. This is a process of struggling, building, perfecting, teaching and properly complying with regulations and laws, developing the fine qualities of the Vietnamese people, and fighting vices and bad habits.

2. With the spirit of the state and the people working together, the VFF echelons, along with the members' mass organizations, have succeeded in mobilizing the people's organizations for doing many things of very important significance, such as building friendly-relations houses; setting up funds for

the elderly and for victims of natural calamities, storms, and floods; giving aid to combatants and people in border areas; planting trees; developing the family-based economy, and so on. This proves that no matter how difficult the situation may be, if we know how to do things, know how to rely on the people, use all available capabilities, and respond to the people's realistic needs and legitimate aspirations, we will be totally capable of moving the masses' revolutionary movement forward. The VFF echelons must complete preliminary reviews in time--to draw good experiences and examples, to promptly propagate them, to create uniform changes in various installations, and to join with the country as a whole in overcoming the great difficulties of today.

In nearly 3 years of implementing Directives 17 and 53 on "strengthening the party leadership over the VFF work in the new stage" and "strengthening the party's work for the masses" under the leadership of party committee echelons, with efforts of the member organizations and VFF cadres, we have made obvious progress in the VFF work. The question at this time is there must be greater concern about leadership on the part of the party committee echelons so as to popularize the good experiences more quickly, to propagate the good examples more quickly, and to overcome the weak aspects more quickly.

3. 1986 is the year in which we convene the party congress and build the party, the revolutionary organizations under party leadership, the VFF, and mass organizations to make them organizationally stronger and to raise their quality and the effectiveness of their work. In 1986 we must complete a final review of our implementing Directive 17 and attach importance to providing cadres with advanced training and drafting work procedures for the VFF committees at all levels and between them and the administration and member organizations.

That is the reason why 1986 must be the year for new changes in terms of organization and work within the VFF system.

The VFF echelons must be more active in proposing to the party committee echelons resolutions that deal with urgent matters and in building close work relationships with administration officials at all levels.

4. This year let us propose that the front launch an emulation movement in member organizations, all strata of the population, and the VFF system at all levels to score achievements as a way to greet the party organization congresses and the party congress. In this emulation movement we must build friendship and solidarity, help one another to make progress, and fight any evidences of formalism and showoff, which do not bring about realistic results.

5. The VFF committees at all levels, along with the Mass Agitation Committee and mass organizations, must help the party committee echelons to introduce for discussion at party organization congresses at all levels the contents of the Political Bureau and Secretariat resolutions and directives on mass proselyting and the VFF work. Only then will such resolutions and directives, particularly Resolutions 17 and 53 of the Secretariat and Resolution 26 of the Political Bureau (on youth-proselyting work), be profoundly understood by all party organizations and be transformed into positive action.

6. The CPV is the party of the Vietnamese worker class. It loyally represents the interests of the worker class, working people, and the nation as a whole. The worker class, as well as the working people, both white- and blue-collar, and all our people have the responsibility for building the party and offering their opinions to party members and cadres in the early-1986 period of party organization activities aimed at making criticisms and self-criticisms. I suggest that all party members in the VFF uphold the spirit of self-criticizing, urgently and greatly respect and receive critical opinions from the front members, and actively correct any shortcomings in order to work more effectively. I suggest that all VFF echelons make criticisms and self-criticisms, display the strong and good aspects, correct the weak aspects, and make their own ranks more and more united and their work more an more effective everyday.

7. I suggest that VFF committees at all levels introduce to the party capable people for congresses at all levels to elect into party committees and people who enjoy confidence and have the capabilities needed to hold key positions in the front organizations at all levels, in the spirit of the Secretariat's Directives 53 and 17, to make the party committee echelons lead better the mass agitation and VFF work.

I believe that the VFF, which is the broadest sociopolitical organization, will be doing better work in order to join with all our people and army in successfully fulfilling the great tasks of 1986, the year that starts the 1986-1990 socioeconomic plan of our state, in order to score achievements as a way to greet the Sixth CPV Congress.

5598
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EMULATION SERVES AS LEVER FOR VFF ACTIVITIES

Hanoi DAI DOAN KET in Vietnamese 17 Mar 86 p 4

[Article by Huynh Tan Phat, chairman, VFF Presidium: "Lever for VFF Work--Hanoi Leads the Emulation Movement Among Three Municipalities of Hanoi, Haiphong, and Ho Chi Minh City; Gia Lai-Cong Tum, Among Three Central Highland Provinces of Dac Lac, Lam Dong, and Gia Lai-Cong Tum"]

[Text] President Ho once taught us: "Emulation means unity, patriotism, international spirit, contribution to peacekeeping, and transformation of man." He also mentioned the major shortcomings: "There still are people in many places, first of all cadres, who fail to understand very clearly the meaning of the emulation movement." He then reminded us: "The task of the party, government, and VFF is to push the emulation movement to a new height and a new breadth" and "we must put the movement to promote production and thrift in the very center of the patriotic emulation movement."

Looking back at the emulation movement within the VFF system in 1985, we find that the VFF has made new progress in its work, which was different from that in 1984. The VFF echelons knew how to closely link the patriotic emulation movement in their locality with the VFF work so as to accelerate its activities. The country as a whole had 30 provinces and municipalities where there was an emulation movement. On the basis of the six goals set for the emulation under the guidance of the VFF Central Committee Secretariat, relying on the characteristics and actual conditions of their localities, some VFF echelons materialized the emulation goals and decided about a rational point-bracket system, such as stressing the organization and activities of the basic-level VFF chapters, building a network for VFF work in residential areas, properly organizing the election of people's councils, building the administration, creating funds for the elderly and the army's work in the rear area, motivating the ethnic minority people in favor of settled farming and settled life, and urging religious followers to step up production, to practice thrift, to build the new way of living, to take part in resolving the FULRO issue or joining the border defense line, to plant trees, and to develop the family-based economy. Drawing experiences from the socialist patriotic emulation movements in Hanoi, Haiphong, and Ho Chi Minh City in 1984, and on the basis of Circular 19 of the VFF Central Commiittee Secretariat, some localities organized advanced training for the cadres in charge of emulation work, organized periods of lateral control, confirmed what had been achieved and what had remained unfinished, looked for the reasons that had led to progressive models, informed one another of the results obtained, or set dates of meeting to review the emulating effort. The VFF standing committees of the Municipalities of Hanoi, Haiphong, and Ho Chi Minh City and three Central Highland provinces organized meetings to review the 1985 emulation movement. Hanoi, with its great determination to move forward, was recognized as the leading unit in the emulation movement among the three municipalities; and Gia Lai-Cong Tum, after having learned from much of Dac Lac's experience, succeeded in making many good changes and thus won the leading banner among the three Central Highland provinces.

It is obvious that as the result of emulation, the movement has made new steps forward. In order to develop the role of emulation as a lever for the VFF work, we must achieve the following socialist emulation goals in 1986:

1. Build the administration; develop the collective ownership right of the working people in villages and subwards in electoral work, in obeying the law, and in setting up a work-relations system between VFF committees and people's councils and committees; and carry out step by step the slogan, "The people know, discuss, do things, and control."

2. Mobilize people for carrying on the movements in favor of production and thrift by doing things like planting trees in groups or by individuals, developing the family-based economy, putting money into savings accounts, expanding the funds for the elderly, and buying public bonds, and at the same time care about improving the standard of living in residential areas.

3. Carry on the socialist transformation in agriculture, as well as in the privately-operated industry and commerce; take part in market management; and assist the state in getting hold of the sources of goods and cash and fighting speculators, hoarders, and smugglers.

4. Take part in building the new culture and the new socialist man. As an immediate job to do, fight superstition, organize funerals and weddings in accordance with the new way of living, take part in the education and transformation of people living on superstition, and mobilize people for joining the movement to clean up and beautify municipalities and residential areas.

5. Mobilize people for doing security and national defense work, such as recruiting; setting up aid-to-the-front funds; implementing the policies affecting the families of troops, wounded soldiers, and dead heroes and the families that have done good work for the revolution; and giving jobs to the combatants who have completed their military obligation.

6. Consolidate the organization and activities of village and subward VFF committees. First of all, popularize and carry out Directive 64 and Resolution 55 of the VFF Secretariat among the subward committees. Extend the work of village and subward VFF committees to neighborhood teams, people's

teams, and families. Pay special attention to providing basic-level VFF cadres with advanced professional training.

As for the basic-level VFF committees in the highlands particularly, pay attention to their participating in resolving the FULRO issue and educating the people who have gone astray and have returned, encouraging people to go for settled farming and settled life, developing the garden-based economy, and implementing the policy of national solidarity and solidarity between ethnic Vietnamese and highland minorities.

The basic-level VFF committees must further consider unified action among their own member organizations and administration organs, directly work with the people among whom work is distributed, and so on.

As to the higher VFF echelons, they must consider how effective the task of improving leadership and guidance over the basic-level committees has been so as to evaluate the results of emulation movements.

Our wish is that the emulation movements will realistically affect all organizing activities and work of the VFF echelons, particularly the basic level. Council of Ministers Chairman Pham Van Dong has said: "In the overall picture of our socialist construction, we see all the dark areas and at the same time the brilliant beauty, and most important, the source of light shining from the party line, the socialist system, and the people's revolutionary enthusiasm and qualities. Displaying light in order to dissipate darkness, let us show our positive attitude and work, push away and abolish the negative and wrong aspects, and move the revolutionary undertaking forward." (Footnote 1) (Excerpt from a speech by Council of Ministers Chairman Pham Van Dong at the Second VFF Congress)

The light that comes from Resolutions 6, 7, 8, and 9 of the CPV Central Committee is guiding us as we carry on the emulation work in 1986. This is also the lever of the VFF work.

5598
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FULL ACTION URGED TO RESOLVE PEOPLE'S COMPLAINTS

Hanoi DAI DOAN KET in Vietnamese 17 Mar 86 p 11

[Article by Le Hai: "Responsibilities Toward the People"]

[Text] The Fourth Party Congress has issued a resolution that clearly states: "All state organs everywhere, from central to local, must respond in time and fully to all the matters brought up by the people." In our Constitution, Article 73 points out: "Citizens have the right to complain and denounce any state organ about any illegal acts on the part of a state organ, social organization, people's armed unit, or any individual belonging to this organ, organization, and unit."

To implement the party resolution and Article 73 of the Constitution, on 3 December 1981, the Council of Ministers issued a regulation on considering and resolving citizens' complaints and denunciations. The right of citizens to complain and denounce and the responsibility and authority of organ and unit chiefs for considering and resolving such complaints and denunciations have thus been determined by the law. It is obvious that our party and state consider the act of considering and resolving citizens' complaints and denunciations the obligation and responsibility of state organs, for they do not want any person to be treated wrongly or to suffer any losses in connection with his legitimate interests.

In the last several years, we made a lot of effort to resolve complaints and obtained some noteworthy results. However, generally speaking there still were many shortcomings. These shortcomings have brought about regrettable consequences. The fact that the violations of the people's basic democratic rights in some localities and at times were taking place on a broad scale and lasting for a long time has adversely affected the standard of living and the people's confidence, which used to be very profound, in the party and state. The fact that those who had wrongly implemented our policies were not dealt with in an appropriate manner has made the state law less strict and just and has adversely affected a number of cadres and civil servants in different sectors and at different levels.

On the basis of such actual phenomena, some of our leading cadres have said: "For a ruling party there are two dangers to watch out: one, a mistake having to do with party line and policies; two, cadres in power abusing it and acting arrogantly toward the people. With the concept of socialist collective ownership, the fact that the people exercise their right to make complaints and denunciations helps to prevent such dangers. Resolving complaints and denunciations of citizens has an extremely great political significance. Whether the people trust you or not and finally their quality and enthusiasm will show--all this we can further promote only if we are concerned about resolving them."

Recently, mostly after the regulation on considering and resolving citizens' complaints and denunciations was issued, the efforts to resolve them and the people's motions at different levels and in different sectors have been greatly strengthened. Some localities, ministries, and sectors definitely resolved the many petitions and letters that had piled up for a long time and have been supervising and leading the efforts to resolve the new ones. Many provincial, municipal, ward, and district party committee secretaries and chairmen, and a number of ministers and organ and unit chiefs met with the cadres and people who came to make complaints and denunciations and considered the latter by themselves; as a result, the masses have welcomed the prompt and neat resolving of a number of petitions and letters.

A system adopted by some sectors and almost all provinces calling for periodical reception of the people by unit chiefs, National Assembly deputies, and members of people's committees has brought about realistic effects and has become a routine activity. However, the activities of unit chiefs in such reception are usually just a formality; experience must be drawn from them so as to strongly develop the role and influence of those who represent the people in resolving the matters the people have brought up, and at the same time to be widely learned by other localities. Some localities where the population includes ethnic minority groups have stressed mobility by organizing reception at market places or assigning working groups the task of going to villages to meet the people and to resolve their complaints on the spot and within the limits of what they are authorized to do. Some sectors, localities, party committee echelons, and administrations have used the staff role of inspection organizations in such activities as seeing the people, dealing with petitions, considering petitions, and coordinating their work with other responsible organs to resolve complaints. More noteworthy are the localities that have a wide network of people's inspection, for they have quite effectively used the latter to consider and resolve many complaints and denunciations at the basic level. But most village and subward party committees and people's committees have assigned their workers' inspection committees the task of seeing the people on a regular basis, dealing with petitions, considering and resolving petitions; everyday the people's inspection cadres would be present in the office of village and subward people's committees, but these cadres would not be entitled to allowances. These are shortcomings that need to be overcome.

However, generally speaking, the results obtained from resolving petitions and letters of complaint and denunciation were not great enough, with quality being not so good and without any guarantee as to the responsibility, authority, and time involved in the resolving efforts.

There have been cases of avoiding responsibility, considering complaints in a cursory manner, and even committing reprisals against people because of their their complaints and denunciations taking place here and there. Many organ and unit chiefs totally assign the task of seeing people, dealing with and resolving petitions of complaint and denunciation to inspection organs or just a few cadres. These moves are against the views and thinking of the party and the regulation of the state. This is the reason why many such petitions and letters remain unanswered, there still are many petitions and letters being sent to the higher echelons and bypassing the immediate ones, and the accuracy of the conclusions made and effectiveness of the measures taken are limited, with even correct conclusions being ignored in some cases.

There are many reasons behind this state of stagnancy, but the important and principal fact remains the failure on the part of many sector, level, organ, and unit leaders to clearly see their responsibilities and the obligation and usefulness involved in answering the questions asked by the people.

In order to properly carry out the task of considering and resolving complaints and denunciations organ and unit chiefs must recognize the degree of accuracy and motivation behind the matters raised by the masses. Although the contents of their complaints and denunciations are different, they all reflect their trust in the clearsightedness of the party and state and the expectation that such matters will be resolved in a fair and just manner. Therefore, consider seriously the matters the people have raised and make very conclusions from them. If the complaints and denunciations are true, the organizations or individuals that have been wrong, no matter what position they may be in, must correct themselves--and this without any exception. If the contents are untrue, explain so that the masses would understand. As to the bad elements who take advantage of the right to make complaint to distort the truth and to harm the prestige of the state organs and cadres concerned, take severe punitive action against them in accordance with the regulation.

Carry out on a regular and orderly basis joint reviews by different echelons and sectors of all petitions and classify the latter to find the reasons that have led to complaints and denunciations, and do this as the only way to have correct guidelines and measures for resolving them. For instance, complaints and denunciations can be classified in such categories as administrative control, deliberate confiscation of properties, arbitrary and prolonged arrests and detention, and so on; or petitions are focused on borrowing people's houses to use as organ headquarters or production and business installations for decades without returning them and now letting cadres and civil servants occupy them, confiscating money and properties of those people being wrongly classified as members of the bourgeoisie within the process of transforming capitalist and private industry and commerce, and so on.

Strictly adhere to the procedures required of organ and unit chiefs of seeing the people on a periodic basis and mutually checking the responsibilities of chiefs of superior and lower levels while implementing the 34 articles in the regulation. Chiefs are responsible for doing this work by themselves and including it in their monthly and quarterly work schedules. This work cannot be neglected nor freely assigned to any organizations, units, or cadres even though they are of deputy level. On the other hand, chiefs in all sectors and at all levels must be concerned with perfecting the organization and training of cadres and creating favorable conditions for organs and cadres to fulfill their staff functions and to assist them in considering and resolving citizens' complaints and denunciations. Strengthen the regular and close coordination of activities among state inspection organs, party control committees, and other responsible organs of the party and state in order to further accelerate this work. Discover in time the localities that have been doing good work so as to take them as good examples and to popularize their experience. At the same time, frankly name the localities and chiefs who have shown irresponsible attitude, underestimated the masses' ideas, or violated the regulation in some way in order to make corrections or to take appropriate measures to deal with them in a fair and just manner.

In order to respond to the masses' demand--"answer in time, fully, and seriously the questions raised by the people"--no single organ in charge can do the job by itself. It can be properly resolved only when all echelons, sectors, and organs, mostly the basic-level units, stress their responsibility and obligation toward the masses.

Promptly and carefully resolving complaints and denunciations will create favorable conditions to step up the mass emulation movement to fulfill the state plan, to build a way of living and working based on the Constitution and law, to contribute to fighting the negative aspects, and to make party cadres and state civil servants really become the people's loyal servants.

5598
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VIETNAM DEMOCRATIC PARTY REVIEWS PAST WORK, SETS 1986 TASKS

Hanoi DOC LAP in Vietnamese 19 Mar 86 p 2

[Article by Vu The Truong: "Plenum of the Vietnam Democratic Party Central Committee Stipulates 1986 Work Guidelines"]

[Text] The Central Committee of the Vietnam Democratic Party held its plenum from 24 February to 3 March 1986 in order to review the work done in 1985 and set work guidelines for 1986. The plenum set aside much time for studying the resolution of the 9th Plenum of the CPV Central Committee.

Nghiem Xuan Yem, the secretary general of the Party Central Committee, and Tran Dang Khoa, the deputy secretary general, presided at the plenum.

The plenum enthusiastically welcomed Le Quang Dao, the secretary of the CPV Central Committee, and Bui San, a member of the Party Central Committe and the secretary of the Central Front Party Group, who attended the plenum and spoke about the situation and revolutionary tasks in general and the Front's present situation and tasks.

Under the light of the resolutions of the 8th and 9th plenums of the CPV Central Committee, the plenum issued a unanimous opinion on the present economic and social situation and clearly recognized the successes and achievements and the difficulties and weaknesses in socialist construction and transformation in our country. The plenum was particularly happy about the spirit of criticism and self-criticism of the party's and state's control organizations concerning the shortcomings in implementing the resolution of the 8th Plenum of the Party Central Committee and Resolution 28 of the Political Bureau. The plenum was in total agreement with the positive and resolute measures that the Political Bureau, Secretariat of the CPV Central Committee and Standing Committee of the Council of Ministers have put forth in order to overcome the difficulties, restore the country's economic-social situation and have the situation develop well. The plenum of the Vietnam Democratic Party Central Committee stated that the Vietnam Democratic Party cadres and party members have great confidence in the leadership of the CPV led by secretary general Le Duan. The Vietnam Democratic Party is in complete agreement with the socialist economic construction line of the CPV. Mobilizing the entire party to implement the resolutions of the 8th and 9th plenums of CPV Central Committee, with great confidence, the Vietnam Democratic Party will mobilize the entire party to carry out the revolutionary tasks put forth at the congress.

The plenum of the Vietnam Democratic Party Central Committee enthusiastically welcomed the 27th Congress of the Communist Party of the Soviet Union, a congress of great historical significance that has opened a new period of development in the Soviet Union and a congress of peace and lofty international solidarity. Once again, the Central Committee of the Vietnam Democratic Party fully supports the peace initiatives of the Soviet Union, particularly the important declaration made by Secretary General M. Gorbachev on 15 January 1986, the aim of which is to prevent a nuclear war and save human civilization.

As for Democratic Party activities in 1985, the plenum of the VDP Central Committee reviewed, analyzed and evaluated the advances made in carrying out the tasks and mentioned the weaknesses and shortcomings that must be overcome.

Comparing things with the VDP Central Committee's resolutions of September1984 and April 1985, the plenum acknowledged that in 1985 the entire party made new efforts and scored results in carrying out the political tasks and the other tasks of the VDP. The most striking thing was that the municipal and city party committees and the units directly subordinate promoted political and ideological education, solidified organization, launched emulation movements and strengthened the activity formulas, particularly the activities at the primary level. Because of this, the party committee echelons made new changes and constantly manifested the effect of an active element of the Vietnam Fatherland Front.

After a year of difficulties and challenges, the cadres and party members are striving to implement the formulas even better, strengthen training and make contributions. In general, the comrades have a correct political attitude. They have confidence in the leadership of the party and are in the vanguard in implementing the positions and policies. They are enthusiastically participating in cultural and social activities, opposing superstition, guiding the family economy in the right direction, participating in educating and looking after the youths and children, building civilized life and solidarity in the streets and participating in the struggle against negative phenomena in economic and social life.

The plenum also analyzed and pointed out shortcomings and weaknesses in the party's work last year and put forth active measures in order to exploit the strengths and overcome the weaknesses.

The plenum of the Central Committee thoroughly reviewed the resolution of February 1986 on the VDP's 1986 guidelines and tasks. The plenum called on the entire party to manifest the party's traditions in 40 years of revolutionary activity and, together with all the people, emulate to fulfill the 1986 state plan and score achievements to welcome the 6th CPV Congress.

11943
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ARTICLE EXAMINES SOLUTIONS TO LABOR SURPLUS

Hanoi NHAN DAN in Vietnamese 30 Jan 86 p 2

["Economic Forum" Article by Le Cuong, Vietnam Confederation of Trade Unions: "On Labor Surplus"]

[Text] Implementing the resolution of the Eighth Plenum of the Central Committee, the various state-operated enterprises are step-by-step reorganizing their production and reassigning their laboring personnel, yielding a relatively large labor surplus. Initial estimates have given about 40,000 laborers as the surplus in various state-operated branches of the economy, which breaks down as follows: Those who are no longer able-bodied or with poor skills, unable to guarantee performance in a position in the main production chain; those who have to be relieved because the production conditions are lacking, thus reducing the scale of production; those who are left out after reassignment of jobs because the former production setup was cumbersome and irrational; progressively readjusted laboring norms also yield a labor surplus; the proportion of middlemen in the various enterprises was too high and the intermediary links too numerous, which had to be reduced; finally, some people have become idle or violated labor discipline. How can we take care of this labor surplus in the spirit of guaranteeing them some income-earning work, so that they can produce goods for society?

We believe that there are two issues that need attention:

1. We cannot let the surplus labor go unattended, without a job; especially, we cannot arbitrarily force our laborers and government workers to quit their jobs as long as they are still able-bodied and have not violated any labor discipline.

2. We should, to the extent possible, limit the transfer of technical and skilled personnel who have undergone training into unskilled positions.

How can we then satisfactorily solve these two questions?

Some localities have used their labor surplus in the following manner, which we would like to describe so that we have them in our frame of reference:

1. The various units and enterprises themselves solve their labor surplus by creating new, secondary production branches and occupations within the enterprise of organizing service links to serve the rest of the enterprise. This measure has been put into relatively wide application in the various branches, localities and units, and it has yielded good results. For instance, the assembly bloc of the construction sector, after initial reogranization of its production and review of its norms, found out that it had a labor surplus of 14,000. The various units actively engaged in producing construction materials, such as the moulding of unbaked bricks, the production of floor and roof tiles, the crushing of limestone, etc. And because production is organized well, productivity is high, in addition to the advantage of thus having supplies produced on the spot, which brings down the final cost of the whole project. The Haiphong plastic enterprise organized its labor surplus to create new products using the odds and ends coming from the main products, which has yielded good results and helped to improve the living standards of the workers and government employees. In the state farms, the labor surplus was helped to go into animal husbandry, such as the raising of pigs and cows, which brought good results.

2. Labor readjustment in the whole sector, region, and over the entire national territory. In the process of reorganizing production and labor reassignment, together with the discovery of a surplus, it sometimes turns out that in this or that locality they need one specific type of skills or another. Through their own connections the various units in the sector or in the locality can move the surplus workers from one area or another where there is a deficiency. On the other hand, one can also move workers and government employees from some areas to others where there is the need for them, especially in remote areas. This move, of course, must be solved and accompanied by a series of other measures, such as the regime that is to be applied in the case of those who move from one area to another, housing for newcomers at the new locality as well as other social conditions, such as jobs for the dependents, schooling for the children, and medical care. Our experience in the last few years has proved that we have not solved this type of question satisfactorily, thus creating a great deal of difficulty for those who agree to move to other areas and discouraging those who might think of moving.

3. Retraining for those skilled workers who are in the wrong trade. In the process of reorganization of production, many people may have to be moved into different lines of work because of the new requirements, in which case they should be retrained. This is not a small number, which means that this is a real problem. Even in the case of developed countries, the recycling of skilled labor has become a permanent requirement. In our country, the retraining of some people in new skills is only an obvious requirement. Each sector, each locality should have plans and also invest appropriately in this work. It is our belief that if this were done well, it would immediately attract many workers and in the long run it would provide the field of industrial production a sizeable body of technical workers.

4. Send back into agriculture the newly recruited laborers, the unskilled types. Not a few units in recent years have recruited laborers who up to now still have not undergone training and who, therefore, have to be assigned to the most common unskilled work, which is not only unnecessary but also yields little economic efficiency. There are even cases where these people have not been put on the official roll of personnel. We believe that these people should be sent back to the agricultural sector after some reasonable measures have been taken in their cases.

5. Move back into production those laborers found the in the intermediary stage in the enterprise themselves, especially those found in middle-man-types of components.

One must stress also that to be effective in many sectors and units, the rational reassignment of labor must be done in each production cell or team, which will then identify the surplus labor, that this cannot be simply left to the financial section in charge of salaries. To raise the issue and submit it to discussion in each component and let the latter arrive at its own reassignments is the best approach. The masses will discuss and give the opinion as to who should stay in the production chain and who should become surplus. This has proved to be very successful in many units.

On the other hand, in regard to byproducts, the state norms in the plan need to be redefined in the direction of encouraging their production. The plan for these byproducts must be entirely determined by the enterprises themselves. Higher echelon management organs should only specify the percentage of profit that goes to the enterprises and help the latter in terms of capital or to acquire equipment, provide them with raw materials and construction materials to the extent possible; for the rest, the enterprise must take care of themselves.

Above we have presented some of our thoughts, which we have raised so as to contribute to helping solve the labor surplus question in the sense that this is not simply an economic issue but that it represents also a sociopolitical issue as well.

1751/13104
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FOOD INDUSTRY BUILDS NEW PRODUCTION PLAN

Hanoi NHAN DAN in Vietnamese 31 Jan 86 p 1

[Article: "The Food Industry Builds Its New Production Blueprint"]

[Text] As we step into 1986, the Ministry of Food Industries instructed the various units to review their economic efficiency in the last few years and to build the new production blueprint in accordance with the resolution of the Ninth Plenum. The units are resetting reasonable labor standards for each kind of work and in each kind of product in the production chain, including the production of raw materials and food processing. The various units recatergorize the labor force in accordance with the technical requirements of the equipment and with the industrial processes involved. People who have not been trained or who have little skill are removed from the main production chain and reassigned to more appropriate tasks. The whole sector advocates the regulation of labor among the various enterprises in the industry and the limitation of new recruits into the government personnel roll.

This year, the food industries have seen a reduction of 15 to 20 percent in the labor force, mostly middlemen, so that this category now accounts only for about 8 percent of the labor force in the sector. They have rearranged the management machinery from the ministry down to the combined enterprises, the comprehensive ones, the general corporations, and the corporations themselves in the direction of reduction of middlemen so as to lighten the management machinery making it more compact, lightweight, and efficient.

To bring down the final cost of products, the various units are eliminating negative and irrational factors, accurately determining the existing economic and technical standards, and building new and progressive standards while managing construction and raw materials well, especially those that have to be imported from abroad.

As the state is not in a position to balance the import of raw and construction materials with its foreign currency capabilities, the sector seeks to enlarge the active role of various units in allowing them to combine with one another so as to find their own balance. Several industries, such as the tea, vegetable, oil, and cigarette industries are allowed by the state to enlarge their cooperative schemes with other socialist countries, especially with the Soviet Union, so as to create more sources of capital and materials;

they can borrow foreign exchange from foreign businesses in order to import more materials and equipment as needed; they can also combine among themselves within the sector in such areas as milk, coffee, wine, beer, cigarettes, vegetable oil, monosodium glutamate, as well as with the various localities, the marine product industry, with the tourist, air travel, and shipping industries, etc. so as to create more sources of raw agricultural materials and foreign exchange.

The initial efficacy of this expansion of business connections and mutually balancing combined operations has shown in the fact that the sector as a whole in the last year has significantly improved its production in regard to many important commodities as compared to 1980: vegetable oil increased by 231.25 percent, cigarettes by 155.05 percent, sugarcane by 93.8 percent, canned food by 88.18 percent, and liquor, condensed milk, tea, and beer have all increased by 22.7 to 38.6 percent. The whole sector has fulfilled well the two norms of 340,000 tons of sugar and 1 billion cigarette packs set forth by the Fifth Party Congress in the projections for 1985.

In 1986, in competing to chalk up achievements in celebration of the Sixth Party Congress, the various production units in the sector will strive to raise total production value by an average 18 percent, with the amount of export increasing by 51 percent as compared to 1985, final cost and circulation fees reduced by 15 percent, and accumulated capital for the state increasing by 39 percent.

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ECONOMIC PLANNING, TRADE, AND FINANCE VIETNAM

MEASURES VIEWED TO AID SMALL INDUSTRY, HANDICRAFTS AUTONOMY

Hanoi TIEU CONG NGHIEP THU CONG NGHIEP in Vietnamese 7 Mar 86 pp 5, 2

[Article by the management board of the Municipal Small Industry and Handicrafts Federation: "A Number of Motions by the Ho Chi Minh City Small Industry and Handicrafts Sector on Policies and Measures Aimed at Promoting Autonomy in Production and Business"]

> [Text] Implementing the resolutions of the 6th, 7th and 8th Plenums of the CPV Central Committee, the Ho Chi Minh City Small Industry and Handicrafts sector has implemented many dynamic and creative measures in order to maintain and expand production. It has scored notable achievements and led the entire country in the value of gross production. But in the implementation process, a number of the state's procedures and policies are not in accord with the real situation in the lcoalities. Thus, the sector recently made a number of motions on the policies and measures with the aim of promoting automomy in production and business. We are printing an excerpt from this report so that readers can study the matter. We wrote the title.

From production practices, we can see the special characteristics of the municipal small industry and handicrafts sector more clearly and evaluate its position and role correctly in order to formulate suitable policies and measures and exploit the production potential. The following are a number of motions aimed at promoting the autonomy of the small industry and handicrafts production installations in production and business.

1. Improving and reorganizing production:

Production in the small industry and handicrafts sector must be reorganized, and management must be unified based on the economic-technical sectors. However, autonomy in business must be ensured, and the creative dynamism of the production installations must be exploited. Sector management must start from the economic and technical measures. There should not be simple administrative policies, restrictive measures or machinery that could limit production. There must be equality in economic relations between the leading state enterprises and the small industry and handicrafts installations.

Actually, the products of the state enterprises can be used to supply the small industry and handicrafts installations and vice versa. Thus, a small industry and handicrafts installation should not be restricted to just one economic-technical sector. Rather, it should be allowed to deal with many centers depending on the technical regulations of each production installation. The central echelon must quickly issue uniform sector control regulations on a national scale.

In order to improve and reorganize production well and create the conditions necessary for the economic elements to expand within the socialist orbit, the state must promptly promulgate various policies, such as a policy on collective economic units, a policy on individual and family economic units and a policy on theatrical units.

2. Expanding small industry and handicrafts production:

The small industry and handicrafts plans were formulated from the primary level and are divided into two parts:

Direct plans: the economic units for which the state controls the sources of materials, market requirements and contract ordering of goods for the small industry and handicrafts production installations. In recent years, the state's ability to supply materials has been limited. Because of this, the production installations have had to seek customers on their own and balance materials using indirect planning formulas.

Indirect plans: forms of coordination between planning and market use. The production installations have actively obtained materials from places where the state does not purchase items or through the export-import route or economic connections. This formula accounts for approximately 70 percent of the value of gross production. Thanks to this, the socialist collective economy has provided direct and timely support to the state economy and contributed to providing a notable amount of goods for the organized markets.

By carrying on planning in the artisan industry and handicrafts sector, besides completing various tasks, a number of shortcomings have been exposed:

Direct plans: The planned norms are not in accord with the capabilities of the production installations. The sources of materials controlled by the state based on the plans have not been balanced well.

Indirect plans: The task of actively seeking materials has not been stabilized. This is still subject to administrative procedures and must pass through many mid-level echelons. For example, a cooperative that purchases materials must request an introduction from the ward or district materials corporation. If permission is not obtained directly, it must communicate with the central materials supply agency. It dare not obtain materials on its own at the markets. In short, in balancing materials for the indirect plans, there are still certain restrictions. Thus, product production costs have risen because of irrational expenses.

Product distribution: The small industry and handicrafts cooperatives are not really in close contact with the consumer markets either here or abroad. The small industry and handicrafts sector produces large quantities of goods of various types to support the zones as well as the city. At the same time, it contributes to creating sources of export goods. But the product distribution mechanism has limited expanding production in keeping with market requirements. For example, there is the phenomenon of commercial subsidies (although in reality, commerce does not have the capabilities to provide subsidies). In selling small industry and handicrafts products to the central echelon, provinces and other cities, the Commercial Service must give an introduction, and this must be approved by the council.

The formulas for purchasing raw materials and selling finished products are progressive. But in actual practice, the small industry and handicrafts production installations still prefer the contract ordering of goods form because of the lack of uniform tax and price policies.

In order to overcome these difficulties, the following measures must be implemented: the planned norms given to the small industry and handicrafts sector must be divided into two parts. For direct plans, they must be given based on small industry and handicrafts capabilities and the balanced materials of the state. When norms are given, the necessary material conditions must be provided in order to fulfill the plans. The indirect plans are more revealing. For products that exceed the delivery plans, the state must implement support policies, such as balancing electricity based on the norms, reducing the income tax (on products that exceed the plans) and providing help with other material conditions.

The business formulas, including switching from doing work on contract to purchasing raw materials and selling finished products, must be improved. There must be specific policies, such as tax and price policies, to allow the small and handicrafts production installtions to sign contracts with the consumer organizations directly without having to go through intermediary commercial organizations.

Supplying materials: Materials must be supplied to the production installations directly (for both plans). It is not necessary to go through many administrative procedures or through intermediaries. The ward, district and municipal federations can be responsible for monitoring things and ensuring that the materials that are supplied correspond to the products delivered to the state. The next step is to commercialize long- and short-term materials so that the production installations can be more independent in balancing the plans.

To stabilize production, the federations must have a financial fund. This must be done by establishing a small industry and handicrafts credit cooperative. There must be a foreign currency fund though the Small Industry and Handicrafts Export-Import Corporation and a commodity and raw materials fund though the materials corporations of the city and sector federations. There must be a system of federation stores using various formulas such as establishing raw materials zones and tying the economy to the provinces and cities and to Laos and Cambodia. The installations that produce export goods must be allowed to use suitable amounts of foreign currency to carry on expanded reproduction and stay in close contact with foreign markets.

The municipal federation must be allowed to establish production enterprises with sector capital and loan money (there is no need for state budget investments) in order to strengthen production capabilities and improve product quality.

3. Other positions and policies:

The small industry and handicrafts sector is quickly affected by the following related positions and policies:

Economic plan investments and equipment for the small industry and handicrafts production installations: During the past period, making investments and upgrading the machinery in order to increase productivity and improve quality and economic results have not been given attention in order to build a modern small industry model and produce many more types of goods of high quality to support domestic consumer needs and exports. This is a requirement, condition and factor for improving and reorganizing small industry and handicrafts production.

Because of this, along with giving planned norms, the economic and technical sectors must have investment plans to equip the small industry and handicrafts installations. Also, through exports-imports, the municipal federation can import equipment and parts independently, particularly small but modern production chains.

Prices: In order to calculate product production costs satisfactorily, the state must soon unify guidance in evaluating fixed assets and suitable levels of depreciation concerning the small industry and handicrafts production installations and provide guarantees after the depreciation period. The small industry and handicrafts installations can purchase other fixed assets to replace the old fixed assets using money from their capital depreciation fund.

The small industry and handicrafts cooperatives must be allowed to calculate enterprise wholesale prices like the state enterprises. As for products whose prices are stipulated by the state, prices must be approved quickly (specific periods must be sipulated). Otherwise, if this is prolonged, prices will become out of date, and this will have an effect on implementing the economic contracts. The small industry and handicrafts production installations will sign only short-term contracts of little value. They will not be bold or take the initiative in production and business.

As for products whose prices are not set by the state (there must be a list of specific prices), the production installations and consumer organizations can reach an agreement on the buying and selling prices based on the principle of sell goods if someone can buy.

Banking, credit and currency:

In order to be able to invest intensively for the production installations, the city must have an industry, small industry and handicrafts bank. Also, the municipal federation must be allowed to establish a small industry and handicrafts credit cooperative with capital from sector expenditures, unused collective economy funds and social insurance funds. Also, the spare capital of the cooperative and section members and manual laborers can be mobilized in order to help the industry, small industry and handicrafts bank invest in production.

As for the high-level cooperatives, the state bank must quickly approve loans for rational capital requirements and charge the same interest rate as for loans made to state enterprises. The state bank must reach an agreement with the small industry and handicrafts production installations on setting cash fund norms in accord with reality.

In order to stimulate the collective economy, the finance sector must promptely supplement the personal exemption of the state workers in the same sector and add the approved allowances to their salaries.

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ECONOMIC PLANNING, TRADE, AND FINANCE VIETNAM

REGULATIONS ON MATERIAL MANAGEMENT, SUPPLY PROMULGATED

Hanoi TAP CHI KE HOACH HOA in Vietnamese Sep 85 pp 30-33

[Unattributed article: "New Regulations on Material Management, Trade, and Supply;" passages within slantlines in italics]

[Text] In pursuance of the party and state policy on updating material management, trade, and supply, the Council of Ministers has issued Decree No 189-HDBT of 27 June 1985 /to improve the management of materials/.

In execution of the resolution of the Eighth Plenum of the party Central Committee, the supply of materials must be effected by abolishing the management mechanism based on bureaucratic centralism and state subsidies, by completely shifting to the economic accounting and socialist business system, and by ensuring satisfactory performance of the socioeconomic tasks indicated in the state plan.

After the /first chapter/ on general principles, the decree states specific provisions on material management, trade, and supply /(second chapter)/, on the economic-financial system and the building of material-technical bases for business units which supply materials /(third chapter)/, on the network in charge of organizing material trade and supply and on the state management of materials /(fourth chapter)/, and on the organization of task execution /(fifth chapter)/.

I. Material Management, Trade, and Supply

In general, our country's economy is still based on small-scale production, the socialization level is still low concerning ownership relations, production forces, and economic organization; and technical materials--especially the principal ones--still depend on import sources and do not yet fully meet the requirements of domestic production. Moreover, because they are a special kind of goods and constitute state property, technical materials /must be subject to centralized and uniform management according to the state plan/ and be dealt with only by authorized supply organizations of the state. Generally speaking, it is forbidden to freely exchange, buy, and sell these types of materials in the market.

1. Material Management Within the Country--It is necessary to intensively exploit sources of materials that can be produced domestically in order to gradually replace imports.

--/It is necessary to give vigorous incentive to material production installations/ and to pay attention to producing on an appropriate scale all types of minerals, metals, basic chemicals, equipment, spare sparts, and building materials. With regard to installations producing important materials, such as energy and transportation equipment, the state will provide essential material conditions for them on a priority basis and apply an incentive policy on use of capital which will enable them to make a greater profit than installations producing consumer goods. In the 1986-1990 5-year plan, it is necessary to plan to develop the production of materials and to formulate and implement programs to produce a number of important materials to replace imports.

--/All sources of secondary and discarded materials must be fully used/. It is necessary to tightly control all kinds of secondary and discarded materials--such as automobile tires, discarded oil, batteries, and packing bags--when new materials are supplied, it is necessary to retrieve the old ones and liquidate them according to their remaining use value. The criteria for retrieving these materials must be clearly defined by the State Planning Commission in the plan for yearly material distribution to production and business installations.

The ministries in charge of production and business and all localities have the duty to organize the retrieval and reuse of important secondary and discarded materials according to the state plan.

Production and business installations are forbidden to turn principal supplies and raw materials into secondary and discarded ones just for the purpose of illegally increasing their income.

--/All types of materials which had remained stagnant/ (including complete sets of equipment) prior to 31 December 1984 must be dealt with according to Directive No 316-Ttg of 19 September 1979 of the Council of Ministers (amendments and supplemental regulations will be promulgated according to the new situation).

Materials and equipment whose owners and managers cannot be clearly determined must be handed over to the Ministry of Supply which will plan their rational use.

As of 1 January 1985, production installations and supply organizations which allow supplies, raw materials, equipment, and spare parts to stagnate beyond the fixed norms (excluding some kinds whose stagnation is authorized by the Ministry of Finance) must borrow capital from the bank with progressive interest.

2. Administering the Importation of Materials

The importation of materials must comply with state regulations on imports. The Council of Ministers will issue a list of materials that may be imported (by various zones) and of materials and equipment whose importation is forbidden, and will also promulgate regulations on the assignment of tasks and the organization of material importation

--Only the importation of materials that cannot yet be produced domestically or sufficiently will be authorized. Materials used to make products essential to the national economy will be imported on a priority basis. Priority will also be given to the importation of materials from the socialist camp while importation from the capitalist camp will be effected only if truly necessary.

--At the central level, the importation of materials according to the state plan will be organized as follows:

--Concerning materials or ordinary use--such as gasoline, oil, metals, chemicals, separate equipment, spare parts, electrical materials, and mechanical tools--general corporations subordinate to the Ministry of Supply and in charge of supplying specific categories of goods and general corporations subordinate to the Ministry of Foreign Trade will be entrusted with negotiating and signing important contracts with foreign countries and organizing the reception and supply of goods according to the state plan.

--Concerning all types of materials of special use for various sectors--such as equipment and spare parts for the mining, railroad, sea shipping, fishing, and public health sectors, and cotton, fibers, equipment, and spare parts for the textile sectors--corportions dealing in materials of special use and subordinate to the sectors concerned will place import orders through the medium of general corporations of the Ministry of Foreign Trade or will import by themselves if authorized by the state.

--Apart from the materials imported according to the state plan and by the central level as described above, the various sectors, localities, and installations will be authorized to import a supplemental amount of essential materials, equipment, and spare parts by using the foreign currency in their possession but will have to comply with state regulations on material importation.

--Material supply organizations will be allowed to act as sale and warranty agencies for foreign companies but will have to closely coordinate with the general corporations of the Ministry of Foreign Trade.

3. Planning the Supply of Materials

The State Planning Commission will request the Council of Ministers to decide on the list of materials uniformly managed by the state and on the assignment of tasks, decentralization, and on proportional distribution of materials.

—Together with the production, consumption, and transportation plan—the material supply plan must be drawn up from the grassroots and local level on up; materials placed under the uniform management of the state must be summed up according to sectors and localities and apportioned when the state plan is formulated. The material supply plan must first ensure proportionate distribution for principal tasks, important products, and key enterprises and projects.

—The various sectors, localities, and installations must actively exploit the existing sources of materials through economic association and increased export in order to be able to import materials to rationalise the plan for economic and cultural development right at the beginning of each year.

—There must be a plan by the Council of Ministers to gradually create a material reserve in the production, circulation, and reserve stages in order to stabilize the supplying task and provide for emergencies.

—Beginning with 1986, it is necessary every year to settle accounts concerning the materials and goods entrusted by the state to various sectors and localities and to strike a balance between these materials and goods to the products delivered and sold to the state by these sectors and localities. The state will implement special policies to support those localities which experience difficulties in production.

—A certain quantity of ordinary materials—such as gasoline, oil, iron, steel, and cement—will be set aside for retail sale to the people.

4. Material Circulation and Supply System

—State organizations which deal in materials will directly supply them to production and business organizations according to the ratified plan norms and signed contracts.

—The state supply of materials to the collective and household economic sectors in the fields of agriculture, fishing, forestry, small industry and handicrafts, and privtely owned transportation will be effected through economic contracts and according to rational wastage norms and at the prices uniformly fixed by the state.

—The transfer of materials from surplus to deficient areas will be decided by a minister if the problem is within the scope of a ministry and by the chairman of the provincial or municipal people's committee if the problem is situated within a locality. Localities are not allowed to transfer materials belonging to centrally operated enterprises which are stationed in these localities; if it is necessary to transfer materials distributed by the central plan from one sector to another within a local territory, the agreement of the central agency which manages these sectors must be sought. If difficulties are too great and beyond the on-the-spot possibilities of transfer, general corporations or organizations which deal in and supply materials and specific branches of merchandise may be requested to effect the transfer and the expenses incurred must be agreed upon by both sides.

—Additional materials which are acquired by trading and supply organizations through their own efforts must also be included in the plan but must be accounted for separately. The repurchase and resale of these kinds of materials to make a profit and disrupt the market is prohibited.

—Both the material trading and supply organization and the consumer have the duty to try by all means to supply materials according to the quantity, quality, pattern, price, and time schedule and at the place agreed upon by both sides in their economic contract.

—It is necessary to strictly implement the system of economic contracts on purchase, importation, transportation, and supply of materials. Contracts must clearly stipulate the material responsibilities of each side and contain provisions on rewards and penalties. State economic arbitration commissions at all levels must intensively control the implementation of economic contracts and promptly deal with infringements.

—Material trading and supply organizations are allowed to expand their activities about contractual processing and to organize repair service for materials and equipment to further promote social production and commerce. These productive and repair activities will be accounted for separately and subjected to the same profit, reward, and income distribution system as that applied to auxililiary industrial production.

—It is necessary for material trading organizations to open shops, to expand their retail network or use marketing cooperatives to expand commercial activities and act as retail agencies for ordinary materials essential to production and the people's life, and also to purchase and supply secondary and discarded materials.

Shops must be opened to buy or sell in consignment at reasonable prices various types of materials brought home by workers, students, and cadres returning from abroad or sent home by overseas Vietnamese.

—Private individuals dealing in materials must be reformed continuously according to the state policy on transformation of private industry and trade. Private individuals must be excluded from the trade in important technical materials placed under uniform management by the state.

Ordinary materials produced or obtained by the collective and household economic sectors must be sold first to the state; these sectors may sell these materials of their own accord if state trading organizations do not buy them, but must strictly comply with state regulations on market management. Valuable and rare materials falling under the state uniform management must be sold only to state purchasing agencies and must not be circulated freely. Strict control must be exercised regarding material wastage norms applied to contractual production assigned by the state economic sector to the collective economic sector and to private individuals, and the accounts concerning these materials must be settled with each contract.

State agencies and state economic organizations are forbidden to illegally deal in materials.

Appropriate punishments will be meted out to thieves, underhand dealers, speculators, and smugglers of techical materials of all kinds.

5. Transportation of Materials

--Bulky materials--such as coal, timber, cement, iron, steel, gasoline, and oil--must be carried straight to major enterprises and key projects of the state.

--Materials used in agriculture--such as gasoline, oil, fertilizers, and insecticides--must be carried directly to district towns or the nearest communications centers.

Within their jurisdictions, units that own goods or transport means must organize well the protection and preservation of materials, equipment, and goods in warehouses and at railroad stations and harbors or along roads in order to prevent loss and deterioration. Owners of goods and transport means have the duty to fully implement transport contracts. Owners of transport means will be given material rewards if they ensure transportation in conformity with contracts; they will be held responsible for indemnification if they allow losses and deterioration to exceed the fixed norms; in serious cases, legal proceedings may be taken against them.

6. Use of Materials and Settlement of Accounts

--Materials must be used for the right purposes according to rational norms. Production installations which use materials economically will be rewarded according to the policy in force. It is necessary to reexamine the system of standards and norms for the use of materials, to add the necessary norms, and to correct the irrational ones. On the basis of rational norms, production and business sectors and units must draw up a plan to produce and supply materials and to settle accounts.

--The system of reports, statistics, and periodic inventory of materials and goods must be strictly applied.

--It is necessary to intensify the inspection of materials and to promptly deal with violations of the material distribution, transportation, supply, and use system.

--The system of striking a balance of materials in the national economy must be strictly implemented. Supply agencies will be allowed to temporarily suspend material supply to production units which fail to strike a balance in strict accordance with regulations.

II. System of Management and Network of Material Trading and Supply Organizations

Organizations at all levels that deal in and supply materials must carry out activities according to the economic accounting and socialist business system.

1. System of State-Mandated Norms: This system will be applied to organizations dealing in and supplying materials and includes five types of norms: Total turnover (money received) from sale at planned prices, amount of principal goods sold according to the plan including those sold to key units according to economic contracts, rate of reduction in circulation expenses (percentage of set nroms), profit and contribution to the budget, and materials distributed by the state for supply purposes.

2. Some Financial Systems

--The state will recalculate discounts for material circulation in conformity with the trading characterisics of each branch for goods so as to compensate for circulation expenses, to make a profit within rational limits, and to raise three funds just as state industrial enterprises do.

--The depreciation norm for major repairs to fixed assets will be adjusted together with an appropriate remainder to be granted to material trading and supply organizations.

--The current state system of limited floating capital will be applied.

--The profit rate for organizations which deal in materials will be calculated as follows:

Concerning materials supplied according to the state plan, these organizations will enjoy a rate of 1 to 1.5 percent of the sale turnover for each branch of goods. With regard to materials obtained by material trading organizations from various sources (including materials uniformly managed by the state), these organizations will be entitled to a higher rate which must not, however, be more than twice the fixed profit obtained by dealing in the same kind of goods according to state industrial enterprises.

--A unique price policy will be applied to materials uniformly managed by the state in order to stabilize prices and enable production and business installations to do economic accounting. Zonal prices will be applied to some kinds of matertials and differences in transportation cost for such materials as wood, coal, and cement will be resolved.

All sectors at all levels must stricly implement the state regulations on price management.

3. Material Trading and Supply Network--This network will be organized as follows:

/At the central level/, the network which supplies ordinary materials will include general corporations directly subordinate to the Ministry of Supply and dealing in special branches of goods, such as gasoline, oil, metals, chemicals, electrical materials, equipment, and spare parts. This network also includes the General Corporation of Coal Supply subordinate to the Federation of Coal Enterprises (Ministry of Mines and Coal), the General Corporation of Cement Supply (Ministry of Building), the General Corporation of Forest Product Supply (Ministry of Forestry), and the General Corporation of Agricultural Material Supply (Ministry of Agriculture).

The general corporations will organize directly subordinate supply corportions, centers, or stations which will be located in economic zones and have the duty to receive materials, to deliver them directly to production installations and districts within the assigned areas. At the same time, they can act as agencies for other branches of merchandise.

The duty of the above-mentioned material trading organizations will be to assess the nationwide need for materials belonging to various branches of goods, to place direct orders for these materials belonging to various branches of goods, to place direct orders for these material within the country and through importation, to receive materials, and to organize their distribution according to requirements.

In sectors which need large amounts of materials of special use, it is possible to set up a corporation to deal in the assigned special materials but it is forbidden to deal in other types of materials and to set up a network in other localities.

--/In provinces and cities/, and in areas which need large amounts of materials outside the supply plan of the central level, a material supply corporation will be set up for each of these localities. The duty of such corporations will be to exploit, purchase, and supply materials of local origin and to act as agencies of general corportions at the central level.

--/In each district and city/, it is possible to organize a material supply corporation directly subordinate to the district people's committee; this corporation will receive and supply materials to agricultural, small industry and handicraft cooperatives, to exploit, buy, and supply materials of local origin, and to act as supply agencies for general corporations and for corporations belonging to provinces.

Generally speaking, /in wards situated within municipalities, cities, and provincial towns/, it is not necessary to set up directly subordinate material supply corporations because the provincial or municipal material supply corporations will directly assume the task of dealing in and supplying materials.

Concerning the administrative management of materials by the state, the decree states the specific duties and competence of the Ministry of Supply and other ministries which supply materials or use equipment and materials, and also of people's committees at all levels.

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Hanoi TAP CHI KE HOACH HOA in Vietnamese Sep 85 back cover

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9332/13104

AGRICULTURE

MINISTRY ISSUES DIRECTIVE ON TYPHOON DAMAGE CONTROL

BK180534 Hanoi Domestic Service in Vietnamese 2300 GMT 15 May 86

[Text] The Ministry of Agriculture on 15 May issued a directive on the task regarding flood and typhoon control for the protection of agricultural production. After dealing with the weather situation which has developed and which will possibly continue to develop in a complex manner in the coming period, with efforts made by various localities and establishments in flood and typhoon control, and with damage caused by floods and typhoons to agricultural production, the directive points out specific tasks to be done quickly and satisfactorily in order to prevent and control floods and typhoons, trying to minimize damage caused by natural calamities.

For various localities and establishments, the directive emphatically suggests the following five measures.

1. Map out production plans in a most assuring manner while preparing adequate steps to restore production in the wake of a flood or a typhoon. It is necessary to arrange appropriate crop sowing schedules to avoid losses and to pay specific attention to low-lying areas where floodwaters are deep and cannot be drained quickly. Each establishment must work out two production plans for use in normal situations and incase of floods or typhoons. This is to ensure safety for production under all circumstances.

2. Prepare enough crop seeds, including seeds for emergency use and seeds for short-time crops, especially those valuable and rare varieties, in order to ensure enough up-to-standard seeds for sowing the entire area in accordance with schedules. Particularly in the north, attention must be paid to maintaining satisfactorily winter crop seeds and providing close guidance for planting early winter crop plants.

3. Work out plans to provide good protection for the herd of domestic animals and poultry. In the wake of each typhoon or flood, efforts must be made to inspect environmental clean-up activities and to quickly give vaccinations against epidemics.

4. Safeguard the property of the state, of the collective, and of the people with emphasis on machinery, equipment, and storehouses for crop seeds, grain, fertilizer, and insecticide.

5. Recheck water conservation projects and repair or rebuild zonal embankments in order to ensure safety for production in each locality.

The agricultural sector must closely cooperate with the water conservation and electricity sectors in taking the initiative in preventing and fighting floods and typhoons in a most effective manner.

/9274
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HAIPHONG REGULATIONS ON RECRUITING LABORERS

Haiphong HAI PHONG in Vietnamese 15 Feb 86 pp 1, 4

[Article: "Decision of Municipal People's Committee on Recruiting Laborers, Receiving, Assigning Cadres, Workers, Civil Servants, Military Personnel, Students to Organs, Enterprises Within the City"--Text of Decision 16/QDUB of 4 January 1986 of The Municipal People's Committee]

[Text] Implementing the resolution of the Eighth Plenum of the CPV Central Committee on prices-wages-money and Resolution 38 of the municipal people's committee on ways to carry out the above Central Committee resolution, gradually switching the managerial system from state subsidies and bureaucratic centralism to economic accounting and socialist business, the municipal people's committee standing committee has issued regulations on recruiting laborers and students, and receiving cadres, workers, civil servants, military personnel and school graduates and assigning them to local organs and enterprises and to those under central management but stationed within the city. These regulations are, as follows:

I. Recruit Laborers

1. Enterprise and corporation directors may recruit additional laborers to fill production and technical requirements, but they are bound to observe all party and state procedures and policies toward laborers. At the same time, they may decline personnel assigned and introduced to them by superior echelons not compatible with their production and business requirements.

2. The labor service is designed to manage manpower and tap new replenishments in complete agreement with recruiting units concerning the applicant pool and recruitment arrangements, criteria, and policies.

3. It falls to ward and district people's committees to supply adequate numbers of high-quality laborers in keeping with notices issued by the labor service and the needs of units authorized to recruit laborers.

4. Units are encouraged to widely use contract labor and, step by step, achieve contract labor status between directors and laborers while ensuring compliance with recruitment procedures. Enterprise and building-site directors cannot recruit and employ laborers contrary to state and city regulations.

5. Each year, in making production, technical, and financial plans, production and business installations should draw up plans for recruiting laborers and students for submission to the labor service and vocational educational committee, which will make appropriate allotments. It devolves upon these two organs to refer sector and craft requests for agricultural laborers to the municipal people's committee for consideration.

II. Transfer and Receive Laborers

1. Within the city:

a. Approval by the labor service and organization committee of the municipal people's committee is not required for the transfer and relocation of cadres, workers, and civil servants working at locally and centrally managed, city-based organs and enterprises, and having registered for permanent urban residence, and whose change of status has been directly agreed upon by both sides without going through the processing of related managing sectors; however, employment must comply with requirements, standards, and sector and craft qualifications for which transferees were trained.

b. Especially, cadres, workers, and civil servants transferred from the suburbs to the city must meet one of the following conditions:

--have permanent residence status in the city;

--transferee fathers, mothers, wives, and husbands have permanent residence in the city;

--are technical workers from Level 4 upward;

--are managerial and scientific-technical cadres earning 310 dong and more.

2. Transfer from the provinces to the city and vice versa:

a. since transfer from the provinces to the city is severely constrained by inadequate living and housing facilities in urban areas, transferees must meet the following conditions:

--fathers, mothers, wives or husbands have permanent residence status in the city;

--are technical workers from Level 4 upward and proficient in those crafts for which the localities have a need but are not yet able to train workers;

--are managerial and scientific-technical cadres earning 333 dong and more.

Transfer of workers must be approved by the labor service and transfer of managerial and scientific-technical cadres by the organization committee of the municipal people's committee.

Other transfers must be reported by the organization committee and labor service to the municipal people's committee standing committee for approval--a prerequisite for transferees to apply for residence status with municipal public security.

b. transfer from the city to the provinces: It falls to the labor service to approve the transfer of laborers, workers, or civil servants directly involved in production and business; and to the organization committee of the municipal people's committee to do the transfer of managerial and scientific-technical cadres and civil servants indirectly involved in production and business.

3. Trainees for centrally managed schools are drawn from the pool of local applicants and are in keeping with employment opportunities. The city provides jobs to locally born graduates only. As for those from other localities sent by central sectors into the city for training, any decision by the school concerning their employment requires prior consent of these localities.

III. Transfer of Military Personnel

--A common principle for honorably discharged military personnel is that they should return to the places from which they were called up, and it is the duty of local administrations to find jobs for them.

--Those having spent the required amount of time in the Army--5 years (60 months) for men, and 3 years (36 months) for women--are eligible for transfer; and organs and enterprises with job openings may take recruitment steps without having to rely on the managing sectors and labor service--as they did in the past. Demobilized military personnel selected for employment by state organs are considered new recruits, with no credit for the time spent on active service.

Points 1 and 2 of Section I above may apply to demobilized military personnel, who have residence status in the suburbs, or other provinces, and have been accepted for employment by municipal organs and enterprises.

IV. Labor Cooperation with Foreign Countries

1. Recruitment of laborers for overseas employment:

--The municipal people's committee assigns norms it has received from the state to sectors, wards, adn districts which, in turn, reassign them to local installations under their control. It falls to enterprise and corporation directors and subward and village people's committees to recruit laborers meeting the qualifications and standards set by Circular 27/LDTT of 14 December 1982 of the Ministry of Labor. Sectors, wards, and districts are bound to send all recruits to the labor service.

--Municipal public security has the duty of investigating and issuing security clearances.

--Public health organs have the duty of examining recruits and making sure that they are healthy.

--The labor service has the duty of guiding, supervising, and controlling the recruitment of laborers for overseas employment, doing necessary paperwork for submission to the Ministry of Labor for approval and transporting laborers to gathering centers according to ministerial instructions.

2. Repatriation of Laborers:

a. Repatriation of laborers having completed their tours of duty:

--a common principle is that homebound laborers, who formerly worked in state organs, or cooperatives, should return to their initial places, and that the latter's prior approval is required on all job transfer applications.

--those laborers, who formerly worked in society, should also return to their initial places, where they are accorded priority in being considered for state employment, and local administrations must provide them with jobs in keeping with sector and craft qualifications, for which they were trained abroad.

b. Those going home before the end of their contracts, as a result of personal shortcomings, are subject to administrative review and compensatory reimbursement prior to being elibible for employment.

Above are general regulations aimed at fostering the autonomy of basic installations and the laborers' right to collective mastery, at battling the practice of state subsidies, bureaucratic centralism, and authoritarianism, and at easing inconveniences for basic installations and laborers. It devolves upon the labor service and the people's committee organization committee to guide the implementation of these regulations and upon sectors and localities to regularly control that process at the grassroots level.

The present regulations will take effect from 1 January 1986 and all past conflicting regulations are abrogated.

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POPULATION, CUSTOMS, AND CULTURE

ARMY PAPER REPORTS ON POPULATION DISTRIBUTION

BK171504 Hanoi QUAN DOI NHAN DAN in Vietnamese 11 Mar 86 p 3

[Report by Viet An]

[Text] The redistribution of labor and people to develop land, labor, and occupations is aimed at satisfactorily exploiting the available resources to build socialism and defend the socialist fatherland. Redistribution of labor and people is also necessary for socioeconomic development and national defense and security both in long- and short-term periods.

Over the past 5 years, there has been remarkable progress in distributing labor and people. In each passing year, the task has improved quantitatively and qualitatively. After carrying out this task for 4 years, the 5-year targers have been fulfilled. In 1985, though facing numerous difficulties in all aspects, we made great efforts in distributing, in a 5-year period, 595,877 worker and 1,268,014 persons to various localities. Noteworthy is that these figures have symbolized new and lively factors which bring about new results in the labor and population distribution.

The immediate requirement of labor and population distribution is to move workers and people from densely to sparsely populated areas. At times, there was loose coordination between the place that sent the people and the place receiving the people to the extend that no place took real responsibility for carrying out the task. Recently, the labor and population distribution plan has gradually become a part of the socioeconomic plan of localities involved in labor and population distribution. Both sending and receiving places must take full responsibility, not only for sending people, but they [words omitted] for preparing essential conditions, organizing production, and stabilizing the people's life in order to build a new town and society for these people. Various sectors and echelons must optimally exploit all local potentials, invest capital, and use all available means to help them engage in production and stabilize their daily life.

Various forms of labor and population distribution have been carried out on the basis of the people's initiative under the close and active leadership and supervision of local party committees and administration. Many forms have been applied extensively, thereby contributing to improving the task quantitatively and qualitatively. Achievements have been scored at the Dien An cooperative, Phu Khanh Province; districts in Binh Tri Thien; and the coconut plantation in

Nghia Binh. Along with building models for land exploitation and occupation development, various new villages and districts in the Central Highlands and east of Nam Bo have cleared a vast area for cultivation. The An Dien state forestry site, Kien Giang Province; An Khanh and Co Do state farms in Dong Nai and Hau Giang Provinces respectively, have established models for implementing projects to optimally and effectively use natural resources such as planting trees on bare hills and accelerating afforestation in poor soil. These models have been applied in the midlands and mountain areas in the north, the sandy soil areas in the central coastal region, and the sulfate soil area in east Nam Bo, thereby coordinating forestry and fishery in the Nam Bo Delta, strengthening the three forms of state-run collectives and families, and ushering in a new direction for joint economic ventures and labour cooperation.

Reviewing the labor and population distribution task over the past 5 years, we have noted that in addition to distributing workers to various cooperatives and production collectives, some 227,726 workers and 469,391 persons have been sent to various state farms and forestry sites, especially to such key areas as rubber and coffee plantations, industrial, and forestry enterprises, thereby solving the shortage of workers which prevailed for many years. In each locality, the distribution task has been closely combined with production organization, thereby increasing the rate of distribution to 65 percent.

In carrying out the labor and population distribution task, we have also paid attention to economic development and national defense tasks. In some places, along with distribution, we have built combat positions, strengthened the economy adn national defense, and maintained political security and social order and safety. On the other hand, we have strived to foil all the enemy's schemes and acts of undermining our economy and internal affairs as well as their psychological warfare and espionage activities. On the other, we have been training each worker to be a combatant in the construction and economic building fronts as well as a combatant in combat and combat-readiness to defend the fatherland. In reality, these tasks have yielded some results, especially in the mountain and border areas. In the Central Highlands for instance, in many areas of Gia Lai-Cong Tum and Dac Lac Provinces, the labor and population distribution task has helped reclaim land and satisfactorily organize socioeconomic life while increasing agricultural products and occupations and maintaining social order and safety.

Our available natural resources are very abundant: we have more than 20 million workers, a large number of them technicians and many ready for any kind of work. We have 7 million hectares of agricultural land and we can reclaim an additional 3 million hectares; 20 million hectares of forest land, and thousands of kilometers of coastline. The demands for national construction and defense are very great. As a result, we have complete the formulation of plans for labor and population distribution under the present conditions with limited facilities. We have entered the first year of the new 5-year plan. In 1986 the distribution plan has been set at distributing 282,310 workers and 676,970 people, 81 people to economic collectives and 73.5 percent [as published] for provinces. Regarding state-run business, the distribution is 25,710 workers and 49,290 persons for the rubber sector. The distribution this year is aimed at reclaiming 200,000 hectares of virgin land, of which 160,000 hectares will be used for cultivation. The state will provide more loans for capital construction to collectives than in previous years. However, the main objective is that we must still rely on the people's strength with the positive assistance from the state in exploiting local available capital. Various localities have completed their general charts and plans, thereby creating favorable conditions for designing programs and surveying production and populated areas. As a result, production orientation and product design will be clearly, promptly, and correctly formulated, thereby giving better results. The material bases serving the distribution process are improving to meet the requirements of various localities. Various weak bases will be strengthened, especially the central north-south base. Distribution plans will be concretely formulated for each region. Regulations on supplying grain, goods, fuel, transportation facilities, and materials will be established for sectors, echelons, and provinces.

Labor and population distribution has a direct relationship with the armed forces. During the past period, various army units have positively participated in this task and provided valuable assistance. With the present new requirements, various officers and combatants should enhance their sense of responsibility, tradition, and fine character to contribute to the general cause. They must positively participate in building material bases such as schools, living quarters, hospitals, and other public welfare projects, while closely coordinating with various echelons and sectors to improve the socioeconomic life and strengthen national defense and security, especially at various new economic zones. All these tasks are great contributions to the redistribution of labor and population in the new stage.

/9274
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FAMILY PLANNING ACHIEVEMENTS, OBJECTIVES IN HANOI DISCUSSED

Hanoi HANOI MOI in Vietnamese 16 Mar 86 pp 1, 3

[Article: "The Family Planning Campaign in the Capital: The Annual Number of Births Reduced by 50 Percent Compared with the Period Prior to the Campaign; Marginal Results in the Outercity Areas; In 1986, We Will Strive to Lower the Birthrate from 2.26 to 2 Percent"]

[Text]

I. Review of Some Essential Data

		Births		Deaths		Population Development
Year	Population	Total	Ratio	Total	Ratio	Ratio
1981	2,570,757	66,800	2.60	13,449	0.52	2.08
1982	2,599,355	67,836	2.60	14,727	0.56	2.04
1983	2,674,428	71,244	2.66	15,753	0.59	2.07
1984	2,704,464	68,057	2.52	15,127	0.56	1.96
1985	2,750,000	62,250	2.26	15,400	0.56	1.70

In the past 5 years, chiefly in 1984 and 1985, the family planning campaign in Hanoi has obtained notable results. In the entire city, the birthrate went down from 2.6 to 2.26 percent, and the population growth rate decreased from 2.08 to 1.7 percent.

In particular, four wards, the town of Son Tay, and Gia Lam District had a population growth rate of under 1.5 percent (including the Hai Ba Trung, Ba Dinh, and Dong Da Districts that had a growth rate of under 1.3 percent). As for subwards, 75 out of 83 had a growth rate from 1 to 1.5 percent. The village of Yen My (Thanh Tri District) has been the leader of the whole city, with a growth rate of under 1 percent several years in a row.

Therefore, owing to the campaign for planned parenthood, every year, Hanoi has 15,000 to 20,000 fewer newborn infants compared with the late 1970's. If these results are compared with the 1960's, before the campaign was launched, there is a reduction of 50 percent in new births.

At present, in Hanoi, the average wedding age for women is 22.8 years (in particular, it is 23.5 years in innercity areas); the average age for having the first child is 23.9 years (25.5 for innercity areas), therefore, there has been significant progress in terms of the requirement by which women will not give birth before the age of 22. However, the average gap between the first and second child is still 40.5 months, while the objective set is 60 months (5 years).

The above figures are averages. There was unequal progress in various localities. In the outercity areas, in many districts such as Me Linh, Soc Son, Trach That, Ba Vi, Dan Phuong, and Hoai Duc, the population growth rate was still 2 percent and above.

In outercity areas, 28 percent of women are getting married before the age of 20 (while in the innercity areas, the ratio was 3.3 percent). In Me Linh District in particular, the ratio was 53.8 percent, including women who got married before the legal age (18 years old)!

Women having three or more children still accounted for 30 percent of the total number of women giving birth. Surveys of those women showed that:

--31.91 percent liked having three children

--27.23 percent had some failure in family planning (primarily because of the failure to use contraceptive measures)

--26.25 percent wanted a male child, or an additional male child!

--14.38 percent wanted a female child (becuase they had had only male children).

Those figures deserve attention in the formulation of propaganda and education measures.

II. Some Observations

1. The campaign for family planning has been conducted for many years. Many cadres and citizens, chiefly those living in urban areas, imbued with a correct and progressive understanding about planned parenthood, were easily disposed to comply with the invitation to give birth to only one to two children, including some families with only female offspring.

At agencies and enterprises, the number of people having two children are in the hundreds, and at districts, there are tens of two-child-only mothers. Especially, in Bui Thi Xuan Subward, no woman has a third child. The Hanoi Textile Plant is a young industrial outfit that has hundreds of workers giving birth to children every year, yet, since the inauguration of the plant 3 years ago, no woman had a third child.

2. The numbers of those taking contraceptive measures are increasing, making up 70.34 percent of prospective childbearing women.

The health sector has expanded its services on contraceptive techniques that have proved to be practical, convenient, and safe for users. At present, in the city, there are 186 sites offering services in diaphragm fitting, 51 in fetus removing, and others, in regulating menstruation. Compared with the 1980's, those services are substantially increasing.

3. Under the guidance of the Hanoi Population and Family Planning Commission, activities in the family planning field had the merit of mobilizing the combined strengths of various government sectors and people's strata from the city down to districts and basic units. The municipal people's committee has also issued many down-to-earth policies that added vigor to the campaign. Many party leaders, government officials, and heads of agencies and enterprises, armed with thorough understanding and deep conviction in family planning, have efficiently contributed to stimulating the movement through the linking of family planning norms with production norms, and with a system of emulation and rewards. Most noteworthy was the case of Dong Anh District which, in the space of hardly a year and with active measures, has brought down its population growth rate from 2.37 to 1.55 percent.

4. Nevertheless, there still are a great many problems in terms of perception and conception about family planning, chiefly in the rural areas. They are usually centered around the following:

--Most families want both male and female children. Many couples having already one son and one daughter still want an additional male child; others having two sons, want an additional female child.

--Some families want three to four children because they think two children are too few!

--Perception in matters of child-rearing are too simplistic. People still think bringing up a child is simply a matter of adding a bowl and a pair of chopsticks at the daily meals, and of using used clothing of the older children.

Family planning is not homogenous, and is particularly weak in outercity areas, chiefly in the districts of Me Linh, Soc Son, Hoai Duc, and Ba vi.

Certain sectors with a predominantly female work force (commerce, construction, agriculture, and teachers of general secondary schools) in outercity areas, still have many employees giving birth to a third, fourth, and fifth child, thus, instead of helping, they hamper the movement. Some armed forces units do not have a good grasp of the requirements of the family planning campaign, and do not give adequate contribution in propaganda and proselytizing activities.

6. Although the health sector has extended its service networks in support of the family planning program, at certain places, a few personnel still have a bureaucratic and overbearing attitude, thinking they are doing favors for the people, and not wholeheartedly serving users of services.

III. Objectives for 1986

In 1986, the common objective will still be: each family will have only one to two children, with a gap of 5 years in between; and women will not give birth before the age of 22.

The entire city will strive to lower the birthrate from 2.26 percent in 1985 to 2 percent, and in innercity districts, to 1.7 percent.

9458/9716
CSO: 4209/424

TRUTH PREVAILS IN INVESTIGATION OF RICE SEED THEFT

Hanoi DAI DOAN KET in Vietnamese 17 Mar 86 p 10

[Our Daily Life column by D.T.: "From the Theft in a Rice Granary"]

[Text] The story about the rice granary of Cong Hoa Cooperative in Chi Linh District being burglarized and leading to a search in the home of Mr Nguyen Quang Truong of Loi Dong Hamlet in the same village, his son Nguyen Quang Thanh being jailed, and 922 kilograms of paddy being taken from his family had seriously aroused public opinion in the village. Mr Thanh repeatedly sent letters of complaint to the provincial, district, and even central authorities.

After having discovered the theft of rice seeds on 17 January 1978 and suspected Mr Truong's family as culprits, the public security force of the village and district, as well as the local authorities, searched his home and questioned his son, Nguyen Quang Thanh, 19, and his wife Van. In the interrogations, both of them--very scared--falsely admitted that they had twice stolen about 60 kilograms of paddy from the granary. With that evidence Thanh was put in jail where he remained from 21 January to 25 August 1978. Right after his arrest, he was brought to the granary where he was told to reenact the theft for picture-taking purposes. He did not know what to do because he had not actually committed the theft. The public security officers had to show him the way he would break the gate lock, climb to the roof to remove the tiles, and bring his body upward just like a thief for them to take his pictures.

But after keeping Thanh in jail for 7 months, they had to set him free because the public security people were unable to explain when 922 kilograms of paddy the cooperative had lost were stolen (except for 60 kilograms which Thanh had admitted he had stolen) and who stole the rest of the paddy. But the facts as they had happened were still unresolved. Mr Truong meanwhile continued to complain. The Provincial Inspection Committee, in coordination with the Organ of Control, office of the public security force, and organs concerned in Chi Linh District, actively investigated and hoped to arrive at an early conclusion in order to guarantee Mr Truong's and his family's democratic rights and freedom.

On 26 January 1980, the Provincial Inspection Committee came to this conclusion: Cong Hoa Cooperative would have to return to Mr Truong the quantity of paddy it had taken from him. Mr Bui Dac Chu, the granary keeper, who had shown his lack of responsibility, was to pay for the lost paddy. The public security force of Chi Linh District had to learn from this experience and to admit that it had been totally wrong in searching his home without any evidence of criminal offense, taking away 922 kilograms of paddy, putting Thanh in jail, and forcing him to reenact the theft which had not been proved to have taken place. However, the People's Committee of Chi Linh District and Cong Hoa Village were trying to delay taking any action; and not until 1984, under strict supervision by the People's Organ of Control of the province and district, did Mr Truong get back 922 kilograms of good paddy. The people of Cong Hoa Village now have more confidence in the state inspection and control organs which have done a good job in making truth prevail.

5598
CSO: 4209/466

CADRE RETURNS TO JOB AFTER SUCCESSFULLY PROVING INNOCENCE

Hanoi DAI DOAN KET in Vietnamese 17 Mar 86 p 10

[Our Daily Life column by V.T.: "Wrongly Disciplined"]

[Text] Tran Quang Dinh, who was a cadre of the Agriculture Committee of Phu Tien District (formerly Phu Cu District) in Hai Hung Province, complained in a petition that nearly a decade ago he had been forced to resign and that he had done nothing wrong.

The story about Dinh being expelled from the party in a disciplinary action and forced to resign in April 1979 by order of Mr Pham Giang, deputy chairman, People's Committee of Phu Cu District, on the basis of his having allegedly taken a bribe of 82 dong and 2,000 pieces of brick and having had an illicit sexual relationship with Miss T, a public security cadre, aroused a lot of public opinion. The people who had been working for many years with Dinh in the public security organ and Agriculture Committee of former Phu Cu District believed he was innocent. Between 1976 and 1984, Dinh sent nine petitions to the district and provincial inspection committees and the District People's Committee, but the matter remained unsolved. The inspection committee of the province sent an official letter to ask the People's Committee of Phu Tien District to consider and resolve the matter within its authority, but it failed to do so.

As the inspection committee reviewed the charges which had led to the disciplinary action against Dinh, it found that there were official documents in connection with the 82 dong and 2,000 pieces of brick to show that he never received a bribe. There was no basis for any conclusion about the illicit relationship with Miss T.

Then how did the disciplinary action come about?

The file had not been reviewed by the person concerned; the organ in charge, which was the Agriculture Committee of the district, did not propose any disciplinary action, either. There was only an official motion signed by a single leading cadre at the provincial level. This cadre's act of oppression and deliberate abuse against Dinh received open disapproval from many people in the public security sector and organs around the district.

What later happened was that when he was seriously ill and knew that he would not be well again, Mr Pham Giang wrote a letter to the Phu Tien District CPV Committee and People's Committee to admit that the disciplinary action against Dinh was wrong because he was innocent, but that he was unable to resist the pressure applied by the provincial leading cadre and, therefore, had to sign the order requesting Dinh's resignation. Mr Giang proposed that the District People's Committee issue an early decision to bring Dinh back to his job. The matter was thus clarified.

On 24 May 1985, by the consideration of the petition by a group of inspectors of the State Inspection Commission sent to work with the Phu Tien District People's Committee, Dinh was reinstated by the committee in his job after nearly a decade of being wrongly punished. But regrettably, the restoration of Tran Quang Dinh's party membership has not yet been resolved.

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Southeast Asia Report

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EXPRESS COLUMNIST ON U.S. ATTITUDE, GOVERNMENT AMBIVALENCE

HK090727 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 8 May 86 pp 4, 5

[From the "Business Front" column by Hector R.R. Villanueva: "What U.S. Wants: U.S. Gets"]

[Text] It never ceases to amuse this writer every time Filipinos rise in righteous indignation at the slightest hint of rebuke or imagined traces of sarcasm or disfavor voiced by our so-called American friends.

Oftentimes we behave like a lover who has been sent out to pasture but who insists that her loyalty remains firm and her love undiminished in spite of the humiliation and lack of attention.

For openers, the official attitude of the Reagan Administration was not because Washington loved Mrs Aquino more and Ferdinand Marcos less but because, by late 1985, the Marcos regime was already a terminal case. The main concern of the Americans was how to unseat Marcos without the latter going berserk and endangering the stability of the military bases. For this reason, the recognition of the Aquino Government came in slow and with great reluctance.

However, when indicators showed that the Aquino Government received an overwhelming mandate from the people and international recognition, the Americans, with their usual exuberance, joined the chorus with their promises of economic and military aid.

That was sixty days ago. Today, Filipinos remain euphoric while the euphoria in America is fast evaporating due, principally, to the abolition of the legislature and the declaration of a revolutionary government.

The resulting instability has again jolted the Americans into reviewing their options vis-a-vis their military and economic interests in the Philippines.

Moreover, the presence and high visibility of cause-oriented groups in the cabinet and national offices are cold comfort to the Americans.

Secondly, the International Monetary Fund (IMF), the World Bank and the Asian Development Bank (ADB) are mere tools of U.S. foreign policy. The financial tributaries of the United Nations as well as the Eximbank and USAID are more outlets of American largesse and patronage. These institutions can either play hardball or they can be more humane and cooperative.

Thus, the harsh prescriptions and anti-inflationary measures imposed on the Marcos regime by the IMF were so severe that the resulting deflation of the economy was a contributing factor to Marcos's downfall.

By the same token, the United States by means of its awesome moral-persuasive powers could easily cajole these financial institutions to ease up on the Philippines if the Aquino Government would only cooperate. How? (1) By not repudiating its foreign loans, especially the Eximbank exposure in the Bataan Nuclear Plant; (2) By insuring that the exposes on Marcos's ill-gotten boards do not insinuate that Americans and Japanese politicians were also recipient of Marcos bribes; (3) By abandoning this hollow threat of holding on to its options vis-a-vis the military bases agreement till 1991; (4) By allowing Marcos to leave the U.S. as he is causing political embarrassment to the Republican Party which is facing a tough fight in 1988; (5) By addressing its energy on the insurgency problem instead of and vendettas and witchhunting, and finally (6) By demonstrating to the Americans that she (President Aquino) is on top of the situation.

To the Americans, it is very clear that the euphoria of sixty days ago is giving way to disunity, uncoordinated policy decisions and escalating Communist insurgency.

The fact of the matter is that this government presents a picture of political ambivalence where its philosophy is apparently pro-American and colonial while allowing a free expression of nationalistic postures.

From the outside, the general impression is incoherence, inconsistency and lack of orchestration and leadership.

In conclusion, the enormity of our economic problems will only allow partial adherence to traditional tools of restructuring but, in the final analysis, economic recovery will demand radical social reforms that this colonial-minded government is not prepared or inclined to do.

/9738
CSO: 4200/1016

RADIO COMMENTATOR VIC ABANGAN RETURNS TO AIR

HK090909 Cebu City VISAYAN HERALD in English 26 Apr 86 p 8

[Article by Warlie Villasencio]

[Text] Radio commentator Vic Abangan has been back on the air lanes "to participate in the discussion of the burning issues of the new era."

It may be recalled that Abangan was forced to lambast the "people power" administration through the last Holy-Week radio presentation "Pagpalan Dong" [sheltering in the shade] because then he had no other forum to speak out his mind to denounce the blunders committed, especially by Ministers Pimental, Arroyo, Saguisag, Sanchez and OIC [officer in charge] Sonny Osmena as they assumed office.

Abangan said it is "unfortunate" of Filipinos to have these people who are a "disgrace" to the new administration, as some of them are allegedly communists as we pointed out in our campaign speeches in the last snap elections. President Aquino has succumbed to their whims and caprices that may throw our country in chaos and disorder.

Abangan's new 30-minute radio program is a straight commentary over DYLA from 11 am to 11:30am every day except Sunday to start this coming Monday, 28 April under the title "Naunsa na ni?" [What's happening to this?]

The radio program is only for 30 minutes as according to Abangan. "I am back to square one now as an opposition again with a very limited logistics. But we will try to fight it out with the help of concerned Filipinos worried about our situations under the new era." He added the situation is worse than the one-man dictatorship of Marcos because the "dictators" in the Aquino ministries are like mushrooms.

Abangan makes it clear that he is not a Marcos loyalist. He is even happy that Marcos is already out of power as everybody knew that he and the late Assemblyman Talyux Bacalso had fought Marcos since 1978. In the last elections, he favored Marcos because he believed his opponent was not capable for the highest position of the land.

He said he can prove that he was right after all, the fact that we are now under a revolutionary government. "In my radio program, I will fight for the installation of constitutional government as advocated by the duly elected vice-president, Arturo Tolentino," Abangan concluded.

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CSO: 4200/1016

NEW DAY SURVEYS UNIONS, LABOR RELATIONS

HK071420 Quezon City NEW DAY in English 3-4 May 86 pp 3, 6

[Article by Ma. Socorro G. Naguit]

[Text] Prospects for peace on the local labor front appear as dim as ever.

Events in the last two months underscore a climate of mutual distrust that pits not just labor vs. management, but also the "left-leaning" trade unions vs. the self-professed "free democratic trade unions," the Ministry of Labor and Employment [MOLE] vs. local and foreign businessmen disturbed by the labor minister's alleged 'pro-labor' bias, and the MOLE vs. trade unions wary of the labor minister's perceived "closeness" to the militant labor unions.

This assessment is borne out by prevailing attitudes among representatives of labor and management despite, or even as a result of, substantial confirmation of workers' rights in President Aquino's speech at Thursday's Labor Day festivities. While workers have presumably been reassured of the government's support for their rights, employers can be expected to worry seriously over the change of the two-thirds strike vote requirement to a simple majority, the grant of union's rights to ignore the 15-day cooling off period in case of dismissal of union officers or union-busting, the junking of the "one union-one industry" policy, and the repeal of LOI 1458 which allows management to replace striking workers who defy return-to-work orders.

Two important events this week appeared to represent the first step toward the elusive goal of industrial peace. Representatives of labor and management signed a memorandum of agreement this week to formalize a pact to conduct a "continuing dialogue to formulate a Code of Industrial Harmony and to form a tripartite committee for the purpose."

At the Labor Day festivities Thursday, the Kilusang Mayo Uno (KMU) and the Trade Union Congress of the Philippines (TUCP)--the two most prominent labor groups in the country--also appeared to have called an end at least for a day, to intra-labor hostilities when they staged a joint celebration along with three other major labor groups and issued a common manifesto that, among other things, exhorted Filipino workers to unite.

By all indications, however, the unions' Labor Day rally was not more than a token gesture of solidarity. In separate interviews with NEW DAY, leaders of the KMU and TUCP reiterated charges against each other's groups, showing they were nowhere near coming together to battle for workers' rights.

As for peace between labor and management, this week's memo of agreement seems far from reconciling the two sectors' interests, as indicated by the current deadlock in negotiations for a mutual halt to strikes and lay-offs. KMU, TUCP and the Trade Unions of the Philippines and Allied Services (TUPAS) have rejected President Aquino's call for a six-month moratorium on strikes. This stand was firmed up after the business sector failed to commit itself to a simultaneous moratorium on lay-offs.

Ernesto Herrera, TUCP secretary-general, said this week that a strike moratorium is "impossible (and) too sweeping a response," adding that "even the most justified strikes would then not be possible."

Lawyer Rolando Olalia, KMU chairman, said there are cases where strikes are unavoidable." He stressed that the right to strike is "an essential bargaining tool of workers."

Luciano Bautista, national president of TUPAS, said the Labor Advisory Consultative Council [ACC], composed of the KMU, TUCP, Federation of Free Workers (FFW), local affiliates of the World Federation of Free Trade Unions (WFFTU) and independent unions, would have been amenable to a strike moratorium had management through the Employers Confederation of the Philippines [ECOP] committed itself as well to a moratorium on lay-offs.

A talk with leaders of the KMU and TUCP showed that both conditioned and effectiveness of the proposed Code of Industrial Harmony on genuine intentions of businessmen to respect the workers' rights and interests.

TUCP's Herrera said: "As far as we are concerned, we will support any social compact or code that may be drafted provided it does not prejudice the workers' interests and rights, particularly trade union rights. The code can only be effective if the intention is to promote national progress based on justice and fairness to workers."

KMU's Olalia added: "We do not object to a continuing dialogue with the employers' groups, as long as it is geared towards the promotion of industrial peace without compromising the interests and welfare of the workers."

Olalia said that he did not discount the possibility of securing "healthy labor-management relations" to ensure industrial peace, but added: "If the alleged social compact or code will result in the diminution or curtailment of trade union rights, I don't think such a social compact will succeed."

Only the government appeared wholly optimistic about the extent to which the proposed code would lead to industrial harmony. Pablito Sanidad, newly-appointed deputy labor minister, told NEW DAY: "I would think the prospects (for better labor-management relations) are bright, especially with the signing of the memo of agreement. This is the first time that we have been able to bring together a broad spectrum of representatives of labor and management to agree on a common set of principles which we feel will open the door to future efforts to bring them together for more definite agreements." The deputy minister called the memo of agreement a "good start."

But representatives of labor, management and the government expressed divergent views on the relationship between labor and capital.

KMU's Olalia said: "If a social compact is expected to result in harmony between labor and management, I think that's pratically inconceivable, considering the existence of class contradictions between the two. The greater part of the share in production goes to the capitalist while a very minimal part goes to labor, despite the fact that the fruits of production are realized through their joint effort."

On the other hand, TUCP's Herrara said: "While it is true that the interest of capital is profit and that of labor is (to secure) more economic benefits for workers, these seemingly conflicting interests can be reconciled within a specific period through collective bargaining."

Labor Minister Augusto Sanchez himself has become easily the most controversial member of the Aquino Cabinet (next to local governments Minister Aquilino Pimentel) for his alleged "pro-labor" bias. While Sanchez has since clarified that he may be "pro-labor but not anti-management," he has not denied saying that much of the conflict between labor and capital arises "from the feeling of workers that management, after paying inadequate wages, monopolizes the fruits of production regardless of the contributions of their work force."

Sanidad told NEW DAY this week: "I agree that labor and management will always find themselves diametrically opposed, but not to a point where they are irreconcilable. MOLE has been able to settle a sizable portion of the labor disputes, which means that it's possible for these two parties to come to an agreement and strike a bargain for industrial peace."

What complicates the problem of industrial strike is the business sector's discomfiture over the labor ministry's perceived pro-labor bias, making it suspect government efforts to mediate conflicts between workers and employers.

In a strongly-worded statement of the business sector's apprehensions, ECOP President Raoul Inocentes told the National Conference of Employers last 17 April: "The relations between labor and management, as every employer knows, is a very volatile one. There is no sense of making it more so, but which seems to be the situation sought to be fostered by the statement attributed to the minister when he said that the clamor for better rights and benefits must be expressed through strikes since it is the most effective way of letting businessmen know of the workers' grievances. Such a statement only serves to promote industrial strike instead of industrial peace."

Sanchez has also clarified his statements regarding multinational firms in the country, following angry reactions from foreign businessmen. He denied that he considered all MNCS in the country "exploiters," saying he "referred only to some of them for disregarding the plight and welfare of their workers." He also said that he "merely expressed a preference for the use of local capital instead of foreign investments in revitalizing the country's economy." On his much-lambasted espousal of profit-sharing, Sanchez later said he "had merely floated his idea for management to accept or adopt as a productivity scheme and as a solution to labor-management problems."

Despite such clarifications, it could take some time for the local and foreign business sector to warm up to the ministry which, as Inocentes put it, "business looks (up) to... as an impartial arbiter who will reconcile and balance the often divergent interests of labor and capital."

One party who appeared impartial enough to suggest a way of balancing those interests was Jose Gatchalian, dean of the UP [University of the Philippines] Institute of Industrial Relations, who suggested at the National Conference of Employers last 17 April that labor and management enter a social compact.

Asked to define this idea, Gatchalian said he favored, instead of one big social compact, "many small social compacts at the company level."

This, he said would be a more meaningful act: so many small social compacts in as many companies, big or small, multinational or Filipino."

Gatchalian cited the cases of Malaysia and Australia which appear to have been reaping the fruits of having Codes of Industrial Harmony.

Reacting to Gatchalian's proposal, Amado Gat Inciong, a former labor official who turned labor leader, said a social compact would not work. "The principal employers in the Philippines are foreigners, while the workers are Filipinos. Most of the foreign employers in the Philippines are labor-intensive, export-oriented enterprises which are here mainly to avoid paying high wages in their respective countries and to take advantage of cheap and docile Filipino workers," Inciong said.

Gatchalian said he agreed with the contention that "as much as possible we should not rely on foreign capital," but he added: "Could we really do that at this point, kick out these MNCS and joint ventures?" Instead, Gatchalian proposed a strict regulation of multinational firms in the country.

"There are also codes of conduct for MNCS in other developing countries that we could possibly adhere to," the UP academic said.

Even as pockets of hostilities have been breaking out between labor and management and between MOLE and local and foreign businessmen, the country's labor-related problems have been complicated further by a rift between TUCP and the labor ministry last month.

Sanchez, commenting on charges that the labor movement had been "infiltrated by communists" was quoted by the media last month as saying: "Even if they call it infiltrated, it has done the labor movement a lot of good. It is easier to talk to the left-leaning unions as they have definite programs and cannot be bought. There is not one in the KMU that you can buy."

Stung by that remark, the TUCP promptly issued a statement saying Sanchez's words implied that other unionists can be bought. "This innuendo is sweepingly slanderous to the entire free, democratic labor union movement," TUCP said.

Asked on the eve of Labor Day for his assessment of the outlook for labor under Sandhez's administration, TUCP's Herrera preferred to reserve his judgment. "It's too early to comment on that," he said. "The government has not come out with definite policy statement on labor-relations as well as on economic development."

Within the labor movement itself, a sharp rift between the KMU and the TUCP has become increasingly vociferous.

TUCP's Herrera hardly even misses an opportunity to denounce the KMU as a "front of the Communist Party." Herrera told NEW DAY this week that "as far as the legitimate unions are concerned, we are very optimistic that the Code (of Industrial Harmony) will be realized. But the pseudo-unions that are actually fronts of the Communist Party will sabotage this, because their intention is really to destabilize this government and install a communist government."

KMU's Olalia, on the other hand, cast doubts on TUCP's genuineness as he refuted charges that the 550,000-strong umbrella of labor federations is "left-leaning": "The only basis we can think of (for this charge) is we are genuine and a very militant trade union organization and we never compromise the welfare and interests of the workers. We never conduct any under-the-table negotiations with management. There are labor leaders who connive with management by selling the rights of workers down the river, and they are not leftists or communists. If a communist is one who does not compromise nor collaborate with management in defending the political and economic rights of workers, then I'm proud to be branded a communist."

Olalia also repeated his charge that TUCP is funded by foreign organizations. "The TUCP cannot deny that it is receiving millions of dollars from the U.S. Government," Olalia said.

Herrera countered: "All unions in this country, except the independent unions, receive foreign assistance. KMU is supported by the Communist Union of New Zealand and the Communist Union of Australia. TUPAS is funded by the World Federation of Free Trade Unions. FFW redeives assistance from the World Congress of Labor, which is Western-Europe-based and Christian Socialist. TUCP is funded by the International Confederation of Free Trade Unions, an international labor organization of democratic countries, among them the United States."

Olalia estimated the present membership of TUCP to be "about 200,000. "The membership of the TUCP has been greatly reduced as a result of the split within its ranks when a faction supported Marocs in the February elections," he said.

Herrera denied this, saying that TUCP has 1.2 million members. He also refuted KMU's claim to being a labor center. "How can it be a labor center, when it's not even registered? It's merely a grouping of six labor federations. And of these six, only the union of Olalia (National Federation of Labor Unions or NAFLU) has a significant membership because the rest are small unions. TUCP has 31 labor federations under it."

While intra-labor tussles appear to work to the advantage of the business sector, these labor groups remain a formidable force. In the joint manifesto that they issued on Labor Day, the country's labor unions were united in their demand for "unhampered exercise of workers' constitutional and inherent right to strike and other forms of concerted action, collective bargaining, free assembly and self-organization." The manifesto also expressed labor's full support "(for) the profit-sharing scheme as one vehicle towards the eventual realization of a more socially acceptable societal order." And in a firm assertion of labor's role in business and government, the manifesto demanded "the adoption of mechanisms that will ensure workers' participation in decisionmaking and policy formulation from the enterprise level up the the highest levels of government."

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CSO: 4200/1016

AQUINO ORDERS DRIVE AGAINST SIX TOP DISEASES

Quezon City ANG PAHAYAGANG MALAYA in English 4 Apr 86 pp 1, 6

[Text]

The mother in President Aquino has a way of emerging even in the midst of a political crisis.

Yesterday even as she was in the eye of a political storm, with the Unido's impending mutiny over the dissolution of the Batasan, Mrs. Aquino set aside politics to issue Proclamation No. 6, directing the health and social services ministries to mobilize their network for the immunization of every Filipino child from six diseases which have been identified as the major causes of childhood deaths.

The diseases are polio, measles, diptheria, pertussis, tetanus and tuberculosis. It is estimated that some 40,000 children in developing countries succumb to these diseases yearly.

Issuing the proclamation before officials of the United Nations International Children's Emergency Fund (UNICEF), President Aquino said, "Our children are our most valuable resources, we must conserve and develop them."

Admitting the sad plight of underprivileged children, she said, "My government, unlike the previous regime, is not ashamed or afraid to admit the extent of malnourishment that afflicts our nation."

"We will not suppress the statistics but rather endeavor to uncover the full extent of the suffering and damage inflicted on our nation's children," she added.

Addressing the 40th anniversary celebration of the UNICEF held at Malacanang Maharlika Hall, she recalled her years as wife of the late former Sen. Benigno Aquino Jr. and declared that "my proudest accomplishment is to have brought him up five happy, healthy children."

"Compared to the struggle I waged and the work that I do in Malacanang, the rearing of children might seem light as a mundane task but in retrospect, I would say that is has its own special difficulties and challenges, and that meeting them well evokes in me some pride," the President said.

She said that in many countries in the world and throughout the Philippines, "there are children who have not been as fortunate as my own."

She said she is "haunted by the sad faces of our children in Negros."

Their tragedy reminds us of how much the previous government failed the Filipino people," she said.

In her proclamation, the President declared the country's support to the international goal of the UNICEF's child immunization program.

She likewise called on all sectors of Philippine society to help in the immunization drive against the six deadly diseases.

The Catholic Bishops Conference of the Philippines through Ricardo Cardinal Vidal, the Islamic Dawah Council of the Philippines through its president Professor Abdul Rashid Sayedi and the National Council of Churches in the Philippines through Bishop Laverne Mercado, issued statements of commitment supporting the immunization drive.

UNICEF executive board chairman Anwar Wulkarim Chaudry lauded the President's motherly concern.

She said by attacking the social menace, President Aquino "has chosen the more farsighted course, for no amount of economic growth can be achieved or sustained if the people are cramped in social inertia."

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CSO: 5400/4366

NATIONAL RAILWAYS HALTS OPERATIONS IN MANAGEMENT CRISIS

HK070325 Manila THE MANILA EVENING POST in English 5 May 86 pp 1, 6

[Text] The state-owned Philippine National Railways (PNR) may stay off the tracks forever because of the indecisiveness of the Corazon Aquino administration to implement immediate rehabilitation program for the "dying" firm.

Transport ministry officials said this morning that all PNR trains have completely stopped operating since last week for lack of locomotive fuel.

They said oil suppliers refused to deliver gas to the PNR after Publio Tibi, Jr., self-appointed PNR general manager, issued a check for P1.3 million to Petron. Petron did not honor the check.

Tibi, who continues to defy orders of the Aquino government to leave the PNR, refuses to allow Pete Prado, newly-appointed general manager, to rehabilitate the railway firm.

The government suffers P500,000 losses every day in unrealized income and maintenance cost because of the operations stoppage. It also denied transportation to 20,000 train commuters daily, said the transport officials.

The disorder at the PNR management started last month when Tibi holed up in the Tutuban station to prevent Prado from running the railways firm.

Tibi refused to vacate the top PNR post, claiming that he was backed up by former Tarlac Rep Jose "peping" Cojuangco, brother of President Aquino.

Despite big losses caused by the tug-of-war between Prado and Tibi, President Aquino appeared hesitant to uphold the transport ministry appointment of Prado. Apparently fed up with Tibi's President Aquino appeared hesitant to uphold the transport ministry appointment of Prado.

Apparently fed up with Tibi's stubborn posture, PNR workers this morning asked Transportation Minister Hernando Perez to allow them to "physically throw Tibi out of Tutuban."

The PNR workers said "hundreds of us have not yet received our salaries because Tibi is keeping the payroll even if he knows that he is not authorized by the new government to sign it."

A transport official said Perez offered Tibi a top position at the Philippine Virginia Tobacco Administration or the Anti-Tuberculosis Society of the Philippines.

It was not immediately known if Tibi would accept the new job offered to him as compromise for leaving the PNR.

At press time this morning, Tibi could not be reached for comment.

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CSO: 4200/1016

PROJECTED COCONUT EARNINGS REVISED UPWARDS

HK060417 Manila MANILA BULLETIN in English 5 May 86 p 17

[Article by Ellen P. Samaniego]

[Text] Projections of dollar earnings from coconut and its byproducts this year have been revised upwards to $556.104 million, showing an increase of eight percent from 1985 income as a result of an expected 19 percent gain in production, according to estimates made by the United Coconut Association of the Philippines (UCAP).

The increase in 1986 projections was culled by UCAP from exports of traditional coconut products which are estimated to reach $472.904 million this year, an increase of 2.8 percent over 1985.

The decline in export income of nontraditional coconut products, estimated by UCAP at minus 9.5 percent from $91.923 million in 1985 to $83.200 million this year, was offset by increases expected in dollar earnings of the traditional coconut products such as copra, coconut oil, desiccated coconut and copra meal.

Of the traditional products, the biggest increase in dollar earnings is expected to come from copra meal, which is projected to show a 37.5 percent climb to $49.401 million.

The biggest disappointment is expected from an estimated 40.6 percent decline in export income of desiccated coconut products to only $42.831 million.

Dollar earnings of coconut oil are projected to go up by 3.5 percent to $364.497 million. Export receipts from copra are projected to come up to $16.175 million this year. There was no recorded export income for copra last year.

The country's coconut production is projected to further improve to 2.44 million metric tons (copra basis) this year in view of the recent issuance of Executive Order No. 3 allowing copra export and the non-implementation of the use of large quantities of coconut oil as power generation feedstock.

The revised estimates made by UCAP, showed a 19 percent increase from the production level of 2.051 million metric tons last year. Exports, on the other hand, are projected to increase by 82.9 percent to 2.293 million tons copra terms from 1.254 million tons in the same period.

UCAP indicated that about 130,000 tons of copra is estimated for shipment this year with the resumption of copra exportation which had been banned in the last three-and-a-half years.

Coconut oil export volume, based on the UCAP estimates is expected to reach 1.197 million tons, nearly double last year's shipment of 586,000 tons.

Export income from coconut products, however, is anticipated to hardly improve because of a continuing deterioration of prices overseas.

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NEDA DIRECTOR ON IMPORTANCE OF PAYING DEBT

HK070320 Quezon City BUSINESS DAY in English 6 May 86 p 2

[Text] The country's development objectives cannot be subordinated to paying the foreign debt. This was the position taken by National Economic and Development Authority (NEDA) director-general Solita Monsod in yesterday's special cabinet meeting called by President Aquino in Malacanang.

Monsod said this was not a NEDA proposal but a definite bottomline requirement: that the debt service burden, with $2.1 billion in interest alone on the $26-billion foreign debt, must be lightened.

"How it is going to be lightened and how negotiations will be conducted are something for which a consensus must be reached," Monsod said. She emphasized that the government considers this as the "bottomline."

Monsod said the government would not want to refer to one possible tack as "selective loan repudiation" but certainly, she said, "there must be a review and careful appraisal of the various components of the country's $26-billion foreign debt."

The main agenda in the meeting was the submission by Finance Minister Jaime V. Ongpin and Central Bank Governor Jose B. Fernandez Jr. of their reports on their recent meetings with officials of the International Monetary Fund, the World Bank and the country's other foreign creditors.

The IMF and the World Bank has submitted a package of proposals and alternatives for the Aquino Government to consider in addressing problems with the budget deficit. These include increasing the tax component of fuel prices.

Details of other proposals and alternatives from the IMF and the World Bank and other foreign creditor banks are still being assessed and analyzed before they can be publicized, deputy executive secretary Fulgencio Factoran said.

At this point, Monsod said, more interest lies in the government proposals for economic recovery.

"Various proposals are being studied and will be presented in the regular cabinet meeting this Wednesday as part of the agenda for economic reform," she said.

One proposal has come from a group of task forces composed of members of the academe, the government and the private sector which NEDA is supporting.

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TATAD ON PROMINENCE OF COMMUNIST TRAPPINGS AT LABOR RITES

HK080101 Quezon City BUSINESS DAY in English 7 May 86 p 4

["Here and Now" column by Francisco S. Tatad: "A Shift to the Left?"]

[Text] On 1 May, President Aquino made her first Labor Day speech in the company of the former chairman of the Communist Party of the Philippines [CPP] and the former head of the New People's Army, among others.

"Make me prouder, my workers," she said, "of this second revolution to make our country free... of the tyranny of poverty and underdevelopment. Make the world wonder again at how a country reduced to beggary by reckless debts and a people reduced to penury lifted themselves and their country from humiliation to the greatest pride."

The business community had looked up to her to correct disturbing anti-capitalist statements from Minister of Labor Agusto Sanchez. But in her speech, she showed herself the absolute inspiration of Sanchez.

Where many had expected her to say something that would enhance industrial peace, help badly crippled businesses get back on their feet, and revive employment, she decided to simply win labor's applause instead. Now, business is scared.

Whether or not she realizes it, that Labor Day speech was a complete shot in the foot. But the message the nation got did not solely emanate from what she said. The most dominant element was supplied by certain details of the celebration borrowed from communist states. It was the first time the President of the Republic publicly shared honors with individuals primarily identified not with labor, but with the communist movement.

If one looked at those who were given seats of honor with the President and used that, as they do in communist states, to determine who formed part of the current elite, then Chairman Jose Ma. Sison and Bernabe Buscayno or Commander Dante must be seen to be near the top. Moscow, Beijing, Havana, and Hanoi could not have missed that in the TV coverage.

Communist flags waved before the President, and a 10-foot papier machie forming a hammer and sickle stood between her and the Labor Day crowd. The Internationale was sung, and the crowd joined in with up raised fists. This had not happened before in any official function presided over by the President. Since then the hammer and sickle has appeared in graffiti all over the metropolis.

As this was being enacted, pro-Marcos loyalist forces battled pro-Aquino forces and the police in front of the U.S. Embassy. This was the first time since the February rebellion that fighting broke out in the streets. And this was to continue on 4 May when the loyalists tried to stage a rally without an official permit. The President had ordered the police to show maximum tolerance, but was quick to fire the police general who had made the mistake of showing it.

In Bali, Indonesia, Vice-President and Foreign Minister Laurel met with U.S. President Ronald Reagan and Secretary of State George Shultz to press for increased aid, amid official recriminations that Reagan tended to show more support for the deposed Marcos than for the Aquino Government. Laurel spoke of "cobwebs of doubts in the minds of many" as to whether Reagan supports Aquino or Marcos. Shultz resented and rejected that statement.

Aquino may hve been displesed by the fact that Reagan had telephoned her about U.S. assistance for three minutes, and then talked to Marcos for about an hour on God knows what subject. In separate talks with Laurel, both Reagan and Shultz later aksed the Aquino Government to abandon its hardline position against a third country giving sanctuary to Marcos, and to issue him a passport instead.

Whether that or anything more calculated and elaborate had American backers by giving Sison and Dante a place of honor in her first May Day speech, it cannot possibly have increased her stock among her non-communist supporters, both at home and abroad. If it does not strengthen her government, it might lead it to an early grave.

As the Internationale is played, armed clashes continue to exact a heavy toll in the countryside. The anti-communist Minister of Defense Juan Ponce Enrile and the equally anti-communist AFP [Armed Forces of the Philippines] Chief of Staff Gen Fidel Ramos jointly maintain that the CPP/NPA remains the biggest threat to the nation's life.

The nation is confused. Has the CPP, illegal under Marcos, been legalized or given de facto recognition by the government? Are the communists in active alliance with it? Should one listen to Enrile and Ramos or to the President? If the President disputes the assessment of the military establishment,, doesn't she have the duty to say so and then to come out with her superior assessment, if only to stop the bloodshed? Shouldn't the nation be told that an alliance with the CPP/NPA has become not only necessary but inevitable, or that it has, in fact, been long secretly forged at the top?

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MARCOS 'CRONIES' SEEKING AMNESTY, COURT IMMUNITY

HK080513 Manila THE NEWS HERALD in English 7 May 86 pp 1, 6

[Text] Reports started becoming rife yesterday that certain cronies of deposed President Marcos are raising at least P 1 billion in exchange for amnesty and immunity from court suits already filed or being readied against them by the Aquino Government.

Such a development on the "hidden wealth" case being pursued by the government came on the heels of declaration from a member of the Presidential Commission on Good Government (PCGG) that ill-gotten wealth confiscated should be used to uplift poverty-stricken Filipinos.

The reports gained added credence when Rodolfo M. Cuenca, identified by the government as an alleged Marcos crony, came out in the open to deny that he has any hidden wealth and that he is ready to face "all accusers."

From New York a report said the state Supreme Court had issued an order directing several art and auction galleries, jewelers and warehouses to refrain from disposing of valuables worth millions of dollars said to belong to the Marcoses.

The Presidential Commission on Good Government will recommend that cash and property of deposed President Marcos and his associates be used to help poor people, an official said yesterday.

Commissioner Raul Daza said the poor would be the rightful benefactors of wealth the government believes Marcos amassed in his 20 years of power before fleeing during a revolt in February.

The recommendation is to be presented to President Corazon C. Aquino, who created the commission to recover Marcos' alleged "hidden wealth," Daza said.

"Where (else) will you put the money?" Daza asked reporters. "They're not revenues. They're not taxes. They're not custom duties... this is a special kind of income if you put it this way."

He said the commission has recovered about $5 billion in cash and properties it believes belonged to Marcos and his friends. Meanwhile, a U.S. lawyer helping the commission find documents regarding the former ruler's wealth contended that Marcos' oldest daughter, Imee Manotoc, used public money to pay for her education at Princeton University in New Jersey.

Lawyer Juan S. Castro told a news conference that the commission has obtained copies of checks issued to Princeton for Ms. Manotoc's tuition by the government-owned Philippine National Bank.

Rodolfo M. Cuenca, former chairman and president of Construction and Development Corp. of the Philippines, yesterday said he is willing and ready to face all his accusers in court to prove once and for all that he has no "hidden wealth," much less any ill-gotten fortune.

Cuenca, one of 15 alleged crony businessmen charged by Solicitor General Sedfrey Ordonez along with deposed President Marcos before the PCGG last 16 April, issued the statement through his lawyer, Norberto Quisumbing, saying that he welcomed the filing of charges for graft and corrupt practices.

He said that a fair hearing will give him a chance to disprove all allegations of wrong-doing. With the formal charges filed with the PCGG, Cuenca said the propriety now calls for the end of the "harassment and vilification" to which he has been subjected to since 1981.

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GOOD GOVERNMENT COMMISSION SEQUESTERS BENEDICTO ASSETS

HK090622 Quezon City BUSINESS DAY in English 8 May 86 p 13

[Text] The Presidential Commission on Good Government (PCGG) yesterday sequestered about 20 companies and assets linked to former ambassador Roberto S. Benedicto.

The sequestration order was served yesterday by a PCGG team at the offices of these firms, most of which are housed at the FEMII building along Aduana Street. The building itself was also sequestered.

The affected companies are Far East Managers and Investors, Inc., (FEMII) Negros Stevedoring Co., Belgor Investments, Northern Shipping Lines, Molave Bulk Carriers, Aklan Bulk Carriers, Coron Bulk Carriers, Ecija Bulk Carriers, Fuga Bulk Carriers, Marapara Shipping Co., the Association of Integrated Millers, Agrid Ford Inc., Universal Equity Corp., Agro-industrial & Commercial Security Agency, Peninsula Tourist & Shipping Corp., Lapay Development Corp., Mindanao Nickel Mining and Maranao Oil Resources.

The commission, which is tasked with investigating and recovering "ill gotten wealth" of ousted President Marcos, his family and associates, also sequestered 11 ocean-going vessels owned by some of the shipping companies, namely, Don Salvador II, Dona Hortensia, Dona Corazon, Dona Paz, Dona Magdalena, La Carlota, Dona Isabel, Dona Pacita, Don Herman and Don Jacinto.

Also sequestered were the offices of Benedicto, Teodoro Dulce and Lurdes Rivera at the ground floor of the Traders Royal Bank building also along Aduana.

The PCGG banned any move to transfer or dissipate assets pending the commission's investigation into the ownership and operations of the corporations. Normal operations are not supposed to be affected by the PCGG's actions.

Dulce, who was present when the sequestration order was served, asked for several days for the firms' lawyers to produce the documents being sought by the PCGG team. Among the documents sought are an inventory of the firms' facilities, their financial statements from 1983 to 1985 and part of the current year, and the minutes of the meetings of their board of directors.

As of press time, the PCGG team was still discussing with Dulce and other representatives of the affected companies on how to get the documents.

The 20 companies form the latest batch of Benedicto-linked firms to be sequestered by the PCGG. Earlier, the commission sequestered such firms as the PHILIPPINES DAILY EXPRESS.

Initial findings by various PCGG teams working on the Benedicto network of companies are beginning to show the interconnections. Far East Managers & Investors, for example. is said to be one of the major owners of the DAILY EXPRESS, having bought up shares of the publishing firm's stocks from individual stockholders over the past years.

The financial statements and other papers of some of the shipping companies showed up in the cache of documents taken by U.S. Customs authorities from the Marcos party in Hawaii.

The 1979 financial statements of Molave Bulk Carriers, show the shipping company to be owner of the Dona Corazon II, La Carlota, Don Hernan II, Don Jacinto II and Dona Pacita vessels. Acquisition cost of these ships was recorded as P170.71 million.

The "Hawaii papers" also show that Aklan Bulk Carriers is the owner of Dona Hortensia III, Coron Bulk Carriers of Don Salvador III, Ecija Bulk Carriers of Dona Magdalena, Fuga Bulk Carriers of Dona Paz.

In his discussion with the PCGG team yesterday, Dulce said he and the other officials had no knowledge of Lapay Development, Mindanao Nickel Mining, and Maranao Oil Resources. He added that the ships Dona Hortensia, Dona Pacita, Don Herman and Don Jacinto were no longer in their records. They also denied knowledge of the Association of Integrated Millers.

The association is composed of various sugar milling companies all over the country. In January 1981, it placed a full-page advertisement in the BULLETIN TODAY commending Benedicto for his "professional and business-like stewardship" of the Philippine Sugar Commission and National Sugar Trading Corp.

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MORO FACTION LEADERS ON DISUNITY, AQUINO PEACE MOVES

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English Apr 86 pp 19-21

[Article by Anto La Guardia]

[Text] Muslim leaders, who have been bitterly divided over how to deal with the former dictatorial regime under Ferdinand Marcos, are all willing to give the new administration a chance to prove its avowed sincerity in finding a peaceful settlement to the conflict.

Even Nur Misuari, Chairman of the Moro National Liberation Front (MNLF), which has been fighting for independence of Muslim areas since 1972, says he is willing to give peace a chance. Some MNLF commanders have said the group would drop its claim for secession in exchange for 'meaningful' autonomy.

Leaders of a rival rebel faction, the so-called 'reformists' led by Macapanton Abbas and Dimas Pundato, are due to arrive in Manila for talks. The group claims they are making efforts to form a common front with the MNLF and a third faction led by Hashim Salamat, called the Moro Islamic Liberation Front (MILF). It was not clear whether the government would negotiate with the reformists.

Dr Alunan Glang, a prominent Muslim supporter of the Aquino government, warns of the danger in negotiating an agreement without the Misuari group, saying it would be like an attempt by the Israelis to settle the Palestinian question without the participation of Yasser Arafat. "To ignore Misuari," he says, "would drag the conflict longer, and it may again sadly fall into the maze in which Marcos was caught — bloodshed, waste of resources and instability".

There are about 5 million Muslims in the Philippines, representing about 10 per cent of the population. Known as Moros, they are concentrated on the western part of the southern island of Mindanao and the Sulu archipelago. Their war of independence, which saw the bloodiest fighting in the 1970's, has claimed the lives of between 50,000 and 100,000 people. The conflict has displaced about one million people, 200,000 of whom are presently living as refugees in Sabah, Malaysia.

During her election campaign, Aquino promised to "encourage and assist the Muslims to develop as autonomously as possible, not however, apart from the Republic". A month after Mrs Aquino assumed the presidency, the Muslim leaders' attitudes continue to be that of "wait and see". But their goodwill could soon be eroded if the government does not move fast.

The Muslims say they would step up their war if the government does not agree to implement fully the Tripoli Agreement signed in 1976 between Marcos and the MNLF to stop the fighting. The agreement, concluded under Colonel Muammar Qaddafi's auspices in Libya, provided for the establishment of an autonomous region comprising 13 provinces, with a directly-elected assembly, its own security force, financial institutions, schools, colleges and courts.

But the deal fell apart after later talks foundered over details of the implementation. Marcos went ahead with his own version of limited autonomy for two regions, comprising only 10 provinces, while Misuari pledged to continue the war of independence.

Already, newspapers have accused the Aquino government of dragging its feet over the appointment of Muslims to the cabinet, which after four weeks was still all Christians. Some leaders have complained that Muslim political prisoners jailed under Marcos were not among those 400 recently released.

Dr Glang told *Arabia* this "is part of the historical prejudice against Muslims. We do not expect the government to solve the problems immediately, but since the administration came to power there has not even been a statement recognising the part played by Muslims in overthrowing Marcos. Muslims were in the frontline of the protests with the others, being beaten up and teargassed."

Jalaluddin de Los Santos, a Muslim intellectual and secretary general of the World Muslim Congress of the Philippines, said "We should not be lulled into a false sense of security by the overthrow of a dictator. Our fight is with the whole attitude towards Muslims which will take a long time to change. The three main institutions used against us, the Catholic church, the military and economic interests have been strengthened with the coming to power of this administration and they will not change overnight".

In the heat of the election campaign, Marcos accused his opponent of plotting with Misuari to dismember the country by granting independence to Mindanao. Mrs Aquino denied the claim, but her brother-in-law, Agapito "Butz" Aquino, admitted having talks with the Muslim rebel leader in January.

"Muslims trusted Ninoy (the assassinated husband of the new president) because he stood up for them," says "Butz" Aquino, "During his exile he talked with their leaders. Now I have inherited that trust and I am trying to facilitate the work of the government. If it is left to the politicians, I do not think there is much hope of a solution. The Muslims are our brother Filipinos and they have suffered an injustice. There is a historical debt to pay".

"Butz" Aquino says he would hold talks with Muslim leaders individually before drawing up a common plan to present to the government. The negotiations will most likely revolve around the implementation of the Tripoli Agreement, but an increasing number of disgruntled Muslims see the document as unworkable.

The agreement calls for the inclusion of predominantly Christian areas, such as the island of Balawan, in an autonomous region, which many believe would be unacceptable to the government. Anyway, it is very unlikely that the armed forces would agree to an independent Moro security force.

Almuzrin Jubaira, a former professor at the University of the Philippines who now works to improve Christian/Muslim relations in Zamboanga City opposes the Tripoli Agreement. He told *Arabia* the accord is "not a solution but a political expedient to appease the rebels," adding that "it does not even consider the feelings of the Christians who would be affected. There was no consultation".

A Muslim lecturer at the Mindanao State University says "The Tripoli Agreement favoured rebel returnees for positions in government at the expense of ordinary qualified Muslims. The important thing for us is not autonomy but to be given a fair chance".

The Tripoli Agreement marked the beginning of a difficult period for the rebel movement which became divided over how to deal with Marcos. Through a cunning mixture of reforms, patronage and concessions, Marcos was able to contain the factionalised Muslim rebels. The president increased investments in roads, bridges and Madrassas in Muslim areas. Shariah courts were established with jurisdiction over personal affairs, such as marriage, divorce and succession.

Rebel returnees, estimated by the military to number 10,000 fighters, were given loans, training to start up businesses and opportunities to join the armed forces. Some got business concessions, such as logging rights, and positions in local government.

But as in the rest of the impoverished country, Marcos' rule was marked with corruption and military abuses. Frustrated government workers complained funds earmarked for projects never materialised. Some Marcos loyalists, such as Ali Dimaporo, the ousted former governor of Lanao del Sur, were notorious warlords.

One bitter government agriculturalist says "It's divide and rule. We had it with the Spanish, the Americans and the Japanese. But now its worse because it is done by Filipinos".

The rebel factions are trying to patch up their differences. The split is partly political, but also seems to involve personality clashes and ethnic differences.

Misuari is a Tausug, a tribe from the Suluy archipelago, while Hashim Salamat is a Maguindanon from southwestern Mindanao. Dimas Pundato and Macapandon Abbas, leaders of the reformists, are Maranaos from northwestern Mindanao.

Salamat was Misuari's second in command. In 1977, he led his breakaway group after accusing Misuari of financial mismanagement and being too 'radical'.

In a hut in the mountains about two hours away from Cotabato City, Al-Haj Mura , Salamat's chief of staff explained to *Arabia* the causes of the rift. "All the members of the central committee were Tausugs as were most of the field commanders. When Misuari refused to make the administrative changes, we were forced to form our own group".

"We believe peaceful change is still possible" he said while holding a rifle casually in his hands, "We want real autonomy. But the implementation must only be done after bilateral negotiations. We will not accept unilateral implementation."

Salamat claimed the support of the majority of the movements field commanders and announced he had taken over the leadership. The Islamic Conference, however, continued to recognise Misuari as the legitimate leader while at the same time not totally supporting the MNLF's call for "full independence".

By 1982, the reformists were led by Pundato, who had replaced Salamat as Misuari's vice-chairman. Speaking at his headquarters near Cotabato, Commander Dante, the reformist chief of staff told *Arabia* "It started in 1980 in Sabah when we tried to reconcile the two groups. We were forced to form a group that would mediate between the two. Now the majority support us."

The reformists deny accusations linking their group to the CIA or the Philippine government. But Dante admitted to *Arabia* that the organisation had held a series of secret meetings with the Marcos government between 1983 and 1985. He said the talks broke down over the differences in the number of provinces to be included in an autonomous region and the composition of the security force.

Datu Dimalan, a Cotabato Misuari field commander speaking at a night time secret meeting spot in the city's suburbs, denied his faction was heavy-handed with its supporters. Accusing other faction heads of being "fake leaders", Dimalan warned. "If the government negotiates with another faction, we will continue fighting."

"We are waiting to see the action taken by the new administration. If it implements the Tripoli Agreement, we will consider whether it is of benefit to the people", he said.

The relationship between the Muslim rebels and the other Philippine insurgent group, the communist New People's Army (NPA) is cordial, but there is no formal co-operation. The NPA operates mainly in Christian areas, though in parts of the country where both groups are present, there are local agreements.

All the three Muslim groups claim to be the dominant faction. The Misuari organisation claims to control 8,000 out of a total of 11,500 rebels. The Salamat group, on the other and, says it controls more than 90 per cent of a total force numbering between 30,000 and 50,000 fighters, while the reformist claim to have the loyalty of about 8,000 rebels out of 14,000.

Both the Salamat and reformist groups say Misuari has the smallest following. Although the assertion is dubious, the MNLF has been undoubtedly weakened by the defection of leaders and its previous intransigent stance over the future of the Moro homeland.

Some Muslims blame Misuari for the destruction of the ancient town of Jolo, razed in 1974 after the MNLF had captured it. The land and sea bombardment by government forces left 2,000 dead and 60,000 refugees.

According to the military, the three factions count about 3,500 armed fighters. One intelligence officer told *Arabia* "If the government does not keep its promises, there will be a resurgence of insurgency. It can be contained if there is no foreign interference".

"They (the Muslim guerrillas) cannot sustain a strong attack. Their strength has been reduced by 60 per cent. They lack logistics, such as boots and medicines, many of their top leaders are out of the country, they have lost their mass base and are bitterly factionalised".

For obvious reasons, the military plays down the strength of the rebels. Muslim areas are still highly militarised. Misuari commanders have admitted the group may have lost up to 40 per cent of its supporters. Help from the Muslim world, such as Libya, Syria and Saudi Arabia — which according to some estimates amounted to almost US$120m during the war — has been drastically cut back.

Furthermore, the rebels have lost some credibility in the eyes of the population through activities of "Lost Commands" — groups of armed men out of control of commanders who steal and terrorise local people in the name of the MNLF.

Recently, the Muslim guerrillas have been more concerned with internal problems rather than fighting the government. They have focused on organisation, recruitment and training of new supporters. Though the rebels continue to receive foreign support in one form or another, they also raise taxes from people and firms in areas "under their jurisdiction". The Salamat faction also told *Arabia* that it makes its own US-style M79 grenade launchers and M-14 rifles, and plans to make 60mm mortars very soon in the immediate future.

The groups have overhauled their fighting tactics after suffering heavy defeats in the 1970's. One commander said, "We learnt we could not fight a conventional war against the better armed government forces. Therefore, we had to adopt guerilla tactics, like ambushes and sabotage".

Nevertheless, there seems to be a shift in the maintream Moro Muslim society away from seeking a solution through an armed struggle. A Moro Muslim academic told *Arabia*, "There is a new generation of people who have been educated in Filipino institutions who see the destiny of the Moro people as linked to the rest of the Philippines."

The MNLF was born at the height of attacks on Muslims by armed Christian groups, such as the notorious "Ilagas", who are said to have been organised by local government officials. The MNLF said the Moros had to be protected from genocide. A spokesman for the reformists said, "We fought for independence as a last resort when we felt all the Christians were against us. It was the only way of letting the world know the plight of our people."

During the last presidential elections, all three rebel factions refused to become involved. They argued their fight was with the Philippines government and not a particular candidate. Yet most Muslims chose to cast their votes with the majority choosing to support Mrs Aquino.

Muslim influence has progressively suffered as waves of Christians settled in Mindanao — "the land of promise". In 1913, Muslims formed 98 per cent of the people of southern Philippines, but by 1976 they only made up 40 per cent of the population.

Mindanao is a bountiful land with fertile soil and rich fishing grounds. It produces almost 90 per cent of the nickel, cobalt and iron ores of the Philippines and almost 100 per cent of the aluminium ore.

The land is free of typhoons and many farming areas lie fallow. Yet Muslims are the poorest group in the Philippines, and suffer far lower literacy rates. Roman Catholic missionaries working in the area told *Arabia* literacy rates in some places might be as low as 30 per cent, compared with the national average of about 90.

Muslims have steadily lost their communal lands since American colonisers introduced private title deeds. More recently, thousands of families displaced during the fighting have lost their lands to Christian "settlers". Mustapha Sambolawan, director of the Office of Muslim Affairs in Cotabato, said, "The Muslims are getting poorer because they have left their lands and have been unable to return."

But the main weakness of the Moro Muslims seems to be their lack of political organisation outside the armed rebellion. There are few visible self-help or pressure groups as in other parts of the country. The Communist Party of the Philippines, for instance, operates through the highly organised National Democratic Front which is believed to have been behind many strikes, boycotts and demonstrations.

In Jolo, an island where the population is 90 per cent Muslim, the most active group is the Catholic church. Missionaries have set up schools, colleges, housing projects and given loans for tricycle drivers to start up their businesses. In fact, many of the top Muslim rebel leaders were educated in catholic colleges before joining the MNLF.

By granting genuine autonomy, the government could finally give Muslims and other people living in neglected areas of Mindanao a voice which will be heard in Manila and enhance even more the prestige of President Aquino.

Abul Khayr Alonto, a former top rebel who joined the Marcos government and later left it, told *Arabia*, "It is up to Aquino to prove her sincerity. There are 200,000 refugees in Sabah, many of them young people who have grown up with the war and will not compromise. If the problem is not solved politically", Alonto warned, "The MNLF will have no shortage of recruits".

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VERITAS INTERVIEWS CORDILLERA REBEL LEADER

HK020920 Quezon City VERITAS in English 27 Apr 86 p 19

[Text] In an informal exchange with VERITAS, Cordillera-based rebel leader Ka Lawig shares his views on various issues affecting the Cordillera.

On the ceasefire, he said, "The AFP has not been aggressive recently, there have been less encounters but there is no de facto ceasefire in the Cordilleras. Whether or not we agree to a ceasefire still depends on developments in the new governments." He did not elaborate.

The NPA, he adds, will still continue its "punitive actions against anti-people elements." Last 2 April, he reports that the NPA killed a CHDF [Civilian Home Defense Force] man notorious for abuses in Abra.

The "new" government, he comments, is not as "fascist" as the previous one, though, he notes that there are still the "die-hard imperialist boys like Chief of Staff Fidel Ramos, Defense Minister Juan Ponce Enrile, Finance Minister Jaime V. Ongpin and Central Bank Governor Jobo Fernandez." "As we see it, the new government was a mere change of people in power but in terms of how it has concretely affected or improved the lives of the people still remains to be seen." He added that the change in government means a "change in tactics" or a "different approach on their part. [no closing quotes as published] Asked to comment on Jose Ma. Sison's formation of a political party, Ka Lawig said they have not deeply studied yet the party platform to make any comment. On Sison's move, he said "the party is open to diversified tactics."

On whether the NPAs will still employ armed struggle, Ka Lawig unhesitatingly replied: "Of course." The "imperialist" U.S., he continues, still maintains its interest and control. A case in point was when American soldiers claiming to be searching for a World War II plane crash site were found to be in the area of Balbalasan and were detained by NPA's last 16 March. Although the American soldiers were not armed, they were found carrying radio communications equipment capable of contacting U.S. Air Force planes.

The rebel leader said, had the Americans been armed, a battle would have ensued. Instead, after interrogation of Talalang, the nine American soldiers were released unharmed and left the area on 17 March. Ka Lawig sees the incident as a "clear provocation on the part of the U.S. to provide them an excuse to escalate military intervention in the Philippines. If we had killed the Americans that would have been an excuse for the U.S. to launch a full scale war against us."

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CSO: 4200/1016

ADAZA WARNS AQUINO NOT TO DISMISS MINDANAO PROBLEM

HK290651 Quezon City BUSINESS DAY in English 28 Apr 86 p 12

[Text] Former MP and Mindanao Alliance founder Homobono Adaza has advised the Aquino Government not to dismiss lightly Muslim secessionists' clamor to carve a separate state of Muslim areas in Mindanao.

In a speech before the Realtor Board of the Philippines in Makati, Adaza, also former governor of Misamis Oriental, proposed the creation of a ministry that would be tasked solely with recommending and implementing policies related to Mindanao.

He said while the reported plan to create a deputy president for Mindanao is laudable and an apparent response to the clamor for an independent Mindanao, he said the plan may be "too enthusiastic."

He said the formation of a ministry to be headed by a cabinet minister who shall act as the president on Mindanao-related issues could defuse pressures for Mindanao independence since it would make people in Mindanao feel they are at last getting due recognition from the government.

The feeling of neglect, according to Adaza, has been one of the major reasons the leaders in Mindanao, time and again, have moved to sever ties with the rest of the country.

The quest for an independent Mindanao started over 30 years ago when Datu Udtog Matalam, provincial governor of Cotabato, then one province, formed the Mindanao Independence Movement.

Several Mindanao folks were attracted to Matalam's idea of an independent Mindanao. Adaza cited several viable and valid reasons the people in Mindanao think the idea is worth pursuing. For one thing, he said, Mindanao has always been neglected by the national government "irrespective of who the leaders were in Manila."

Mindanao, Adaza said, has not always been represented in the highest councils of government. "Hardly a cabinet minister, a member of the Supreme Court, the financing agencies of government, the corps of generals in the Philippine Armed Forces and other similar high government institutions represent Mindanao," argued Adaza.

Adaza also contended that Mindanaonons are treated as "third-class" citizens. He said: "In the recruitment of people for high government offices, a Mindanaonon, no matter how brilliant, is normally the last to be taken in, if at all."

He likewise stressed that Mindanaonons have no say in national policy formulation and/or implementation, including those policies affecting them.

Mindanaonons, according to Adaza, have been patient for over eight decades. "And when you consider that Mindanao is the second biggest island in the Philippines, with a population of about 15 million contributing much to the national wealth, one wonders why Mindanaonons have been that patient," he said.

The reason, underlined Adaza, has nothing to do with patience but with fragmentation. Mindanao leadership, "if there is such a thing," he said, has always been split, allowing the Manila government to successfully divide leaders from Mindanao.

"And these leaders have succeeded to separate themselves from the collective whole that is Mindanao," stressed Adaza, adding that "there have never been Mindanao leaders but only leaders from Mindanao."

In recent years, however, he said, there have been serious attempts to build Mindanao leaders around whom Mindanaonons could gravitate in their quest for a place in Philippine society.

The Mindanao independence movement is an eye-opener, emphasized Adaza. "We know now that long years of neglect can trigger extreme moves for equally extreme alternatives; we also know that inadequate or non-representation in the high councils of government can create explosive frustrations leading to the fragmentation of the Republic," he said.

Problems in Mindanao can no longer be ignored" unless we want people to act by themselves in resolving their problems to the exclusion of the national government," Adaza stressed.

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FURTHER REPORT ON 'HEAVY FIGHTING' IN SULU

HK291453 Manila THE NEWS HERALD in English 29 Apr 86 pp 1, 6

[Article by Manny Jaldon]

[Text] Zamboanga City--Heavy fighting between armed forces units and Moro National Liberation Front Rebels continued for the third straight day yesterday in Sulu with government forces raining artillery fire on rebel concentrations.

Heavy casualties were reported by Col Raul Aquino of the 1st Infantry Battalion in a long-distance telephone interview with THE NEWS HERALD yesterday. He said the government troops were mounting a full offensive against MNLF units at the outskirts of Jolo.

Hit by artillery fire was the village of Bud Datu suspected by the military to be a rebel lair and which had been booby-trapped the previous night by government commandos.

Aquino said at least 25 105-mm howitzer rounds were fired at the village where around 600 armed rebels were sighted.

Four infantry battalions have been thrown against the rebels since Friday last week. Two battalions, the 24th and the 10th of the First Infantry Division have made contact with the rebels.

As of last night, the four battalions were reported to be scouring the outskirts of Jolo for separatists belonging to the faction of MNLF chairman Nur Misuari. Col Ernesto Maderazo commanding officer of the First Infantry Division, was directing the operation.

In earlier encounters over the weekend, nine rebels were reported killed and scores wounded, while four soldiers died and seven scout rangers were wounded on the government side.

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CSO: 4200/1016

MINDANAO MOVEMENT NOT TO EMPLOY VIOLENCE

HK301407 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 30 Apr 86 p 3

[Article by Leo Enriquez]

[Text] Cebu City—Violent means will not be employed to carve out from the Philippine archipelago a Federal Republic of Mindanao, comprising the Mindanao, Sulu and Palawan islands.

This assurance was made by a Cebu City-based leader of the Mindanao Independence Movement, which met in Cagayan de Oro city recently to dramatize the secession move.

Victor Elipe, a native of Surigao, said the Federal Republic of Mindanao will be established by what is popularly known as "people's power."

Elipe said that if the Manila Government disagrees, the Mindanao people can always ask for a plebiscite supervised by the United Nations to settle the independence question.

"It is within our right to adopt our constitution and to establish our own government by invoking the right of self-determination, as embodied in the UN charter, of which the Philippines is a signatory," he said.

Elipe said "the government in Manila does not exist as the rightful government for Mindanao since it was installed only by a segment of Manila's population, with a support of a faction in the military."

The same Manila government, he said, proclaimed a so-called freedom constitution drafted only by a few, and this is not yet accepted by the people of Mindanao. Elipe accused the Manila Government of its policy of neglect, exploitation, repression and persecution of the Mindanao people. Mindanao leaders, Elipe said, are also being replaced "arbitrarily and despotically."

An intensive information and education campaign will be launched, Elipe said. More signatures, he also said, will be added to support the movement call for independence and a federal republic which they expect to be formed within three months.

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PAPER REPORTS ON NPA USE OF MILITARY RADIO FREQUENCIES

HK070321 Manila PHILIPPINE DAILY INQUIRER in English 2 May 86 pp 1, 2

[Article by Ellen C. Gallardo]

[Text] Tuguegarao, Cagayan--The voice of a rebel leader suddenly breaks into a military frequency and threatens the soldier manning the radio that another ambush will be conducted.

Col Braulio Mendoza, commanding officer of the 21st Brigade in Piat, was brazenly informed over the radio by a rebel that the New People's Army (NPA) ambushed MANILA BULLETIN correspondent Pete Mabazza on 24 April "for writing inaccurate reports" against them.

This "normal" occurence in Cagayan reflects what seems to be the upper hand enjoyed by the rebels over the military in Region 2. The situation is such that one colonel had admitted his soldiers are "terrified to fight" and rebels have been boasting to civilians that the military is "shabby."

What may be causing the huge military losses in the war in Region 2 has been traced by military sources to the gross and rampant mismanagement of intelligence funds and communications facilities.

A military officer who spoke on condition that he is not identified told the INQUIRER that rebels now have British radio facilities (trademark "Recall") which are also being used by the military.

The officer, who was "reverted" to a non-combatant post for being vocal, said the rebels now have the advantage over the military because they can easily switch on the same frequency, decipher the military's coding system, and monitor military activities.

He also revealed that communications facilities supposed to be used in the field are being installed in the private homes of some military officials for the personal use of their families.

"Even if battalions are sent here, we will never win the fight unless this misuse of communications facilities is checked," the officer lamented.

The sad situation was confirmed in several military briefings all over Cagayan attended by the INQUIRER with Brig Gen Cesar Tapia, armed forces inspector general. Even Col Bernardo Ramos, regional unified command chief of Region 2, confirmed that "the NPA are in constant contact with the military men over their radios."

The military is also suffering a major setback in intelligence gathering because of misuse of intelligence funds.

One disgruntled sergeant told the INQUIRER: "How far can P50 go if you are leading a seven-man team or going out in the field to gather intelligence information?"

He said he could not establish an information network using civilians because his funds are not even enough to cover transportation or treat a possible informer to a snack.

"We are forced to forage among civilians in order to survive because we are not given enough combat rations when we are sent out to the battlefield," he said, adding that in the military, it is not the practice to complain and so they are sometimes left to the mercy of unscrupulous officers who do not seem to care about the soldiers' welfare in the field.

Military sources cited as an example a former ranking intelligence officer in the region who squandered intelligence funds allegedly to support his "womanizing" activities.

One PC [Philippine Constabulary] sergeant told the INQUIRER that even their salaries and meal allowances were then delayed because the officer apparently had used the funds for the construction of a business firm of one of his "girls."

The officer, instead of gathering information on insurgency which was the main function of his outfit, allegedly engaged filed reports based on rumors to cover up for his shortcomings, the same sources added.

But while this situation is common knowledge, if not shared experience, by many military men in the field, gathering evidence to substantiate the allegations is hard. A junior military officer told the INQUIRER that the officials involved easily coverup such misdoings.

Military records showed that there have been 33 fatalities in the government and civilian sides in NPA-initiated ambushes since the 24 April Gattaran ambush where two newsmen and nine other soldiers including Col Alberto Sudiacal, deputy commander of the 1/5 Army Brigade in Alcala, died.

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MNLF REPORTEDLY SET FOR OPEN REBELLION 9 JUNE

HK021603 Quezon City BUSINESS DAY in English 2 May 86 p 21

[Article by Miguel R. Rocha, Philippines News Agency]

[Text] A full-blown insurrection threatens beleaguered Mindanao anew as some 8,000 Mulsims separatist rebels are gearing up for a massive offensive against government forces in Sulu, the potential power keg, leaders of a Muslim-Christian coalition warned yesterday.

Hadji Ramon Abdurahim Gonzales, 32, leader of the 37,000 member Muslim Youth Association in Region 9 (Western Mindanao), said Moro National Liberation Front (MNLF) rebels are massing up in at least three towns in Sulu and a similar assembly is being called in the island province of Basilan.

It was during a meeting of MNLF leaders in the Sulu town of Mainbong that an encounter took place, resulting in the killing of four soldiers and the wounding of several others last week, according to Gonzales. In retaliation, the Army troopers launched a counter-offensive, killing seven rebels.

Gonzales is the Muslim leader in the coalition. His Christian counterpart is lawyer Julio Cesar Rini Climaco, son of slain Zamboanga City Mayor Cesar C. Coimaco. Both are currently in Manila to try to get an audience with President Corazon Aquino to propose a formula for a lasting solution to the Mindanao problem.

The coalition has drawn up its own formula, calling for, among other things, a halt in military operations pending negotiations for a ceasefire between the MNLF and government forces.

The proposal was being discussed in a series of meetings held by MNLF commanders in Sulu recently when military operations were mounted, resulting in inevitable clashes between the rebels and the soldiers, Hadji Gonzales said.

"Fighting could escalate into open rebellion unless something very serious is done by the new government to defuse the explosive situation, particularly in Southwestern Mindanao," the young Climaco added.

The two leaders agreed during an urgent meeting of the coalition that another MNLF open rebellion could result in heavy loss of lives and destruction to property.

Patience is running out on them (members of the MNLF). For the first time in the history of the MNLF rebellion, countryside attacks are planned simultaneously with protest actions in the cities, Gonzales said. "What is more dangerous," Gonzales added, "is that civilians are also very much agitated this time because of the U.S. attack on Libya."

"They feel guilty their country hosts U.S. military installations on its soil," Gonzales said.

Reports are ripe in the region's capital, Zamboanga City, that the MNLF has set 9 June to launch the open rebellion, coinciding with the "Hariraya," a Filipino Mulsim festival in Mindanao, according to the Zamboanga City-based coalition leaders.

According to Hadji Gonzales, the MNLF assembly held at the towns of Indanan, Talipao and Maimbong in Sulu recently, was convened by Hadji Faisal Radjai, said to be the MNLF's chairman of the general staff strike force.

Similar explosive situations pervade in other regional autonomous governments of Central Mindanao where political warlordism threatens to explode into a fatricidal war among Muslim factions, Gonzales said. Taken altogether, the coalition leaders said, the Mindanao situation is "very explosive."

Meanwhile, the government, in its desire to seek a peaceful solution to the Mindanao problem, is in a quandry over whom to negotiate with among the leaders of the MNLF which is currently suffering from serious dissension in the hierarchy. The MNLF rebellion exploded shortly after former President Marcos declared martial law in 1972.

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MNLF'S MISUARI REPORTED READY TO HOLD TALKS

HK051601 Manila THE NEWS HERALD in English 4 May 86 pp 1, 6

[Article by Buddy Ramos]

[Text] Jolo, Sulu--Moro National Liberation Front Chief Nur Misuari is reportedly set to hold talks with the Aquino Government on the Muslim autonomy issue.

Misauri's move, a drastic shift for the 14-year Muslim rebellion for a separate state, was reported yesterday on Col Ernesto Maderazo, Army first infantry "Tabak" division commander. The foreign-based Muslim rebel leader, however, set conditions before the start of MNLF-Government discussions.

As this developed, unconfirmed reports discolsed some 3,000 newly trained rebels are set to land in southern Philippines to start a new Muslim rebellion.

Misuari, according to military reports, wants the Philippine Government to officially drop its claim over the mineral-rich North Sabah State, the putting up of a consulate office in Sabah and government assistance for the return of some 300,000 Filipino refugees in that state to the Philippines.

Maderazo said the MNLF leadership in a recent meeting in Malaysia also demanded the appointment of qualified Muslims in the Aquino Cabinet, the Supreme Court, foreign affairs ministry and even in the armed forces.

At least 300,000 Filipinos, [the] majority of them Muslims, now reside in Sabah. The standing claim of the Philippine Government on Sabah over the past years has strained diplomatic relations with Malaysia.

The MNLF buildup confirmed recently by the military cast doubts on Misuari's move. Two army battalions, the 24th and the 10th Infantry Battalions of the 2nd Brigade under Col Raul Aquino, captured last week two rebel camps, killed nine rebels, left scores wounded and seized weapons and dried marijuana leaves. Nine more rebels were also reported killed after two booby traps exploded next day, followed by an artillery barrage on rebel strongholds at Mount Daho.

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MUSLIMS SEEK TEN PERCENT REPRESENTATION IN CON COM

HK060441 Manila THE NEWS HERALD in English 5 May 86 pp 1, 6

[Text] The Muslim-Christian Movement (MCM) yesterday declared the right of Moros to be represented in the Constitutional Commission, and said it would lobby the Aquino Government to heed the call of the minorities.

Irrespective of the number of commissioners, at least 10 percent of the members of the Constitutional Commission [Con Com] should be Muslims, said MCM National Chairman Ahmad Bin Ahmad Alonto.

He told the World Council of Churches (WCC) that since 10 percent of the national population is made up of Muslims, the same percentage should apply to the Con Com representatives.

President Aquino earlier announced the Commission will have between 30 and 50 members, representing a cross-section of the population.

Muslims in the Constitutional Commission can provide the concrete solution to the present problem in war-torn Mindanao, said Altono.

Carmen Abubakar, another Muslim leader based in Manila, said the demands of the southerners can only be met by restructuring the government. The restructuring, however, should be done by consulting the people on what structure, or form, of government they would really like to have.

She said this change is more important now than ever, even after the February revolution which toppled the Marcos regime. "It has been three months since the Aquino government overthrew Marcos, but she, Aquino, still has to make a concrete policy statement about the government's position on the Moro problem."

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DIMAPORO DENIES COMMISSIONING 'HIT SQUAD' IN MINDANAO

HK060139 Manila MANILA BULLETIN in English 5 May 86 pp 1, 13

[Article by Roy C. Sinfuego]

[Text] Former Lanao del Sur Governor Mohamad Ali Dimaporo yesterday called as a "brazen lie" a report that he has commissioned a seven-man "hit squad" to liquidate prominent military and government officials in Mindanao.

The report was allegedly contained in an intelligence dossier leaked out at a briefing of top officers of the Southern Command (Southcom) last Saturday and given to Gen Fidel V. Ramos, armed forces chief of staff, in Zamboanga City.

Dimaporo said: "We are being inexorably pushed to the wall through brazen lies peddled and injustices being inflicted all these years to discredit and destroy me and my loyal followers."

"Despite our sacrifices and endeavors to serve our country and people, our detractors have been convicting us by publicity, ignoring our repeated calls for them to file charges in court where we will accordingly defend ourselves," he said.

He warned that "these lies, continuous injustice, and unfair treatment being inflicted upon him and his followers will only fortify our firm resolve to defend ourselves and protect our democratic rights from being trampled upon to the fullest extent possible, even to the last drop of our blood."

Dimaporo said he and his followers have done nothing and will never to anything to destabilize the government. He said he personally intervened to prevent a violent clash among his followers and the military at Marawi City. Soldiers, he said, threw his followers out of the provincial capitol so that officer-in-charge Saidamen Pangarungan can assume office.

"The military violated its own policy of political neutrality," Dimaporo said. He said the military must not be involved in the affairs of local governments.

He reiterated his invitation to Defense Minister Juan Ponce Enrile, top military officials, and local and foreign media to visit Lanao del Sur and find out for themselves the truth about the province, Mindanao, and the people there.

Dimaporo, a staunch follower of deposed President Marcos, called on the new administration to fix the date for the holding of local elections to satisfy the clamor of majority of the people all over the country to choose their leaders through the ballots.

He said the holding of an early local election could defuse the mounting animosity of the ousted local executives against the Aquino Government.

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NPA SEIZES TRUCKS, BULLDOZERS IN CAGAYAN

HK070911 Hong Kong AFP in English 0857 GMT 7 May 86

[Text] Manila, 7 May (AFP)--Communist Guerrillas have seized 37 trucks and bulldozers in the northern province of Cagayan, and authorities believe they were being held for ransom, the Philippine News Agency (PNA) reported here Wednesday.

The heavy equipment was seized near Cagayan's boundary with Kalinga-Apayao Province in the past week, and 37 drivers and operators employed by logging firms in the area were freed unharmed by armed New People's Army (NPA) rebels, PNA said. The state-run agency said there had been on contact from the rebels.

The NPA, the 16,000-strong armed wing of the banned Communist Party of the Philippines, has been known to seize and destroy equipment or raze to the ground logging or agricultural firms which do not comply with its taxation scheme.

The villages around the central towns of Cagayan have been the scene of sporadic fighting between government troops and NPA rebels in the past two weeks, and over a hundred people have died in the clashes.

Meanwhile, some 40 NPA insurgents overran a village in Pampanga Province north of here late Tuesday and disarmed five government militiamen. The incident occurred near Floridablanca Town. Military spokesmen here could not confirm either of the reports.

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CSO: 4200/1016

BALWEG CITES REASONS FOR FORMING NEW REBEL ARMY

HK090743 Manila PHILIPPINE DAILY INQUIRER in English 7 May 86 pp 1, 3

[Article by Roy S. DeGuzman]

[Text] Rebel priest Conrado Balweg did not spearhead the formation of the Cordillera People's Liberation Army (CPLA) because of his reported expulsion from the Communist Party of the Philippines (CPP) and the New People's Army (NPA).

Dictatorial policies promulgated by the CPP hierarchy--"without the benefit of consultations with the lower echelon members"--led to the establishment of the break-away Cordillera rebel group.

This was the message conveyed by Balweg and Bruno Ortega, two SVD priests who left the comfortable life of clergymen five years ago to embrace the insurgents' cause in the hills of Northern Luzon.

The short honeymoon between the Christian rebels and the Communists in the Cordilleras ended early last month, when the two priests and their followers--"infuriated by the absence of democracy in the Communist Party"--formed the CPLA.

"People here look up to the party as the people's government," said Balweg, 42. "It is sad to say that we have been sacrificing all these years and yet cannot see the realization of a government that is truly of the people, because of the party's constant interference.

"In wide areas here in the Cordillera, according to my own investigation, the party represents dictatorship over the people," he continued.

Balweg claimed that in several instances, he tried to call the attention of the CPP's higher organs to "excesses," but his complaints were never even discussed in party meetings.

This had always been the case since joining the NPA in 1979, and the CPP years later, the rebel priest claimed.

Another ranking CPLA officer--Ortega--who, like Balweg, belongs to the 15-man governing council of the new army said party decisions were "anti-democratic." "The higher organs decide what we have to do, without consulting the cadres in the lower ranks," Ortega told the INQUIRER in a recent interview.

So when the CPLA dissociated itself from the CPP-NPA last 7 April, they decided to hold free elections of their officers. "For the first time, members were able to pour out their grievances and choose the officers who will lead them in the struggle for Cordillera's liberation," said Ortega.

The two priests disclosed the events that led to the CPLA's formation in two days of interviews with the INQUIRER.

It has always been the policy of the CPP officers--there are seven, none of whom are natives of the Cordillera--to disperse the operations of the different Cordillera people's leaders."

Balweg and Ortega claimed that the CPP hierarchy were suspicious of the quiet "rumblings" in the movement, as the lower ranks questioned continuously the lack of democratic discussion in decision-making within the party.

Things came to a head when one day, even the use of radio equipment for communications between the Cordillera guerilla leaders was prohibited by ranking CPP leaders. Right then and there, because of "unjust policies and irreconcilable differences in their vision of the future for the Cordillera," the split came about.

Balweg, who was then in virtual "imprisonment" for three weeks after being assigned to an almost-impenetrable area, reflected for 30 minutes before eventually deciding to rejoin his comrades, this time in the new rebel army.

The CPP, the two former priests charged, was more interested in the Cordillera mountains' viability as the "war arsenal" and "launching pad" for the final, strategic CPP offensive "to encircle the cities from the countrysides" which the party estimates would be rebel forces permit these possible by 1990. [sentence as published]

"It will be unfair to use the Cordillera peoples as pawns in a war they should never involve themselves in," Balweg said.

The CPP-NPA leaders argue that a semi-colonial, semi-feudal society exemplifies the Cordillera experience, in line with earlier-formulated theories by CPP ideologues, which has been the basis for the NPA's waging of a "class war" to wrest political control in the country.

"The invoke the names of Vladimir Lenin and Amado Guerrero in the arguments that took place," Balweg disclosed. "We countered, saying: 'Lenin and Guerrero were wrong, as far as the Cordillera society is concerned."

"Here in the Cordillera, class struggle and the Marxist revolution cannot take root as our society is a communal one--where the tribes' collective integrity is vital in guarding against the common foe in the area: The intrusion of capitalists and imperialists who try to take control of our land."

Balweg added that they have remained firm in their aim to have an autonomous Cordillera Government where they envision self-government, with a separate legislative and judicial bodies, together with the Cordillera people's armed constabulary.

He and Ortega also disputed news reports that the CPLA is a "nativistic" party existing for purely "localist" purposes. "We also have Ilocanos and Tagalogs in our fold," said Ortega.

The interview, conducted during heavy military counter-insurgency operations in the province, also became an occasion for Balweg to shed light on controversies he was recently "dragged into."

A Manila newspaper released a story about Balweg's supposed expulsion from the NPA, coming from a "never-before heard NPA leader" whom Balweg and company also said was "non-existent."

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CSO: 4200/1016

BANGSA MORO ARMY HEAD WARNS OF RENEWED HOSTILITY

HK130750 Manila THE NEWS HERALD in Enblish 11 May 86 pp 1, 6

[Article by Buddy Ramos]

[Text] General Santos City--Leaders of the Muslim separatist factions led by Nur Misuari and Hashim Salamat are meeting to work out a united panel preparatory to the holding of talks on the Mindanao autonomy with the government.

The week-long meeting was initiated by the 43-member organization of the Islamic Conference, a group of Islamic states.

Hadji Morad, a ranking leader of the Salamat faction Moro Islamic Liberation Front [MILF], said Salamat and other MILF leaders had met in Jeddah, Saudi Arabia, with Nur Misuari chief of the Moro National Liberation Front, and his staff.

The rebel leader said, however, that he was not aware of any representation in the meeting from the MNLF reformist faction led by Dimas Pundato.

The groups of Misuari, Salamat and Pundato are the major organizations of Muslim rebels seeking the independence of certain Muslim populated areas in Mindanao.

During the same interview with newsmen in the Lanao hinterlands, Morad warned the Aquino Government of renewed hostility by "mujahideen" (freedom) fighters if it fails to resume talks on the 1976 Tripoli Agreement.

Morad, head of the Bangsa Moro Army which is the MILF's military arm, said that the existing three factions of MILF, MNLF and reformists would unite once negotiations on the Tripoli Agreement fail because "all are fighting for the common welfare of the Bangsa Moro people in Mindanao."

The MILF claimed to have 30,000 "holy arms" regulars and over 100,000 reservists capable of launching big-scale offensives against government forces.

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BRIEFS

KILLINGS IN DAVAO--An army colonel and another person were killed in seperate shooting incidents Saturday night and yesterday [4 May] in Davao City. Police identified the victim in the Saturday night incident as Colonel Alfredo (Salisco), commander of the army training camp at San Gabriel, Mintal. He was shot by armed men as he was about to drive his car after visiting a friend along Marigold Street, Alpha subdivision in Barangay (Latin). The police said the body was riddled with bullets from a .38-caliber revolver, a .45-caliber pistol and a M-14 armalite rifle. The killers fled on foot towards the Matina Aplaya beach. (Salisco) was declared dead on arrival at the San Pedro hospital. The other victim was identified by the Davao Metrodiscom [Metropolitan District Command] as Dominador (Parilla), a resident of Ipil, Barangay Agdao. A group of armed men shot him with handguns while he was refreshing with the sea breeze inside his house. [as heard] [Text] [Manila Far East Broadcasting Company in English 2300 GMT 4 May 86 HK] /9738

NAMING OF OICS--Local governments Minister Aquilino Pimentel has extended to 30 May the completion of naming officers in charge [OICS]. Pimental also announced that some OICS may be purged. This and other details from Joy Montero: [Begin recording] Local governments Minister Aquilino Pimental gave himself more time to fill up OICS positions. Pimentel extended to 30 May the completion of designations of officers in charge. Pimental also confirmed a purge of OICS who have proven to be corrupt, negligent, and abusive. Reports said at least some OICS might be purged. Pimental said, however, that charges against these OICS will have to be substantiated. Commenting on frequent media criticisms of his appointments, Pimental admitted that media must play the role of watchdog. For this reason, he said he welcomed criticisms of inadequacies in his ministry. Pimental also appealed to all OICS applicants to discuss official business in his office and not at his house. He gave the advice because of the reported numbers of importors claiming to be his relatives and who are victimizing OICS hopefuls. [end recording] [Text] [Quezon City DZFM Radio in English 2300 GMT 6 May 86 HK] /9738

PRESSURES OVER FUEL TAX--President Corazon Aquino has been urged to resist the pressure of the International Monetary Fund [IMF] to increase the tax on gasoline and other petroleum products. Lawyer Joe Santos, a leading supporter of the president in the province of Bulacan, said if the tax on gasoline goes up, the price will also go up. Santos said these increases would be very hard on the Filipino people, considering that gasoline and petroleum prices have been going down all over the world. The Bulacan Liberal Party leader said he entertains no doubt that President Aquino will be able to resist the IMF's pressures. [Text] [Quezon City DZFM Radio in English 0000 GMT 9 May 86 HK] /9738

YOUNG PEOPLE RECRUITED--Some military personnel, belonging to Marcos loyalist forces are reported to be recruiting young people in Kalayaan, Laguna. Gen Fidel V. Ramos, AFP [Armed Forces of the Philippines] chief of staff, who received the report yesterday, immediately directed Brig Gen Restituto padilla, regional unified command 4 acting commander, to conduct a "discreet investigation" on the matter. Reports reaching Ramos said the targets for recruitment were promised enlistment in the AFP, after a three-month training. The location of the training camp was not mentioned in the report. For the past few weeks, Marcos loyalist forces have staged protest rallies and demonstrations which have ended in violent incidents particularly last 1 May, Labor Day, when the loyalists engaged military and police authorities in street battles. [Excerpt] [Manila THE NEW PHILIPPINES DAILY EXPRESS in English 8 May 86 p 1 HK] /9738

ARMED MEN SET FIRE--In Basilan, reports reaching the military said unidentified armed men set the municipal building of (Lantawan), on fire Sunday [4 May]. The raze destroyed government property estimated at some 1 million pesos. Investigators said the fire started from the western section of the town hall. Basilan Constabulary troopers are now hot on the trail of the suspects. [Text] [Quezon City DZFM Radio in English 2300 GMT 5 May 86 HK] /9738

EXTRA SUPPORT FOR POLICE--In Zamboanga City, the regional constabulary command sent more troops to Tuburan to beef up the town's police force following a shootout between a 30-man rebel group and the Tuburan security force in Basilan Province last Saturday [3 May]. A report from Basilan said the rebel group, headed by a certain Saran Hassan, shot at a town boat in Tuburan, prompting the security force to shoot. It was not disclosed if there were casualties on both sides. [Text] [Manila Far East Broadcasting Company in English 2300 GMT 7 May 86 HK] /9738

CSO: 4200/1016

AMBASSADOR TO U.S. DISCUSSES RELATIONS IN INTERVIEW

BK070300 Bangkok THE NATION in English 7 May 86 pp 29, 31

[Edited interview by Joyce Rainat with Thai ambassador to the U.S. M.R. Kasemsamoson Kasemsi "shortly before returning to Washington"]

[Text] NATION: What are relations between the United States and Thailand like--would you say that they are good?

Kasem: Yes. I would. There are problems, you know, when people are close to one another, they are bound to crop up. This is a difficult time, I think, for our countries, in terms of trade and payments.

Thailand is not alone. The United States is out there in the forefront, for a number of years: budget deficit, trade deficit, the high cost of the dollar. But it has come down a lot. I think Treasury Secretary Baker has said that the effects of the decline in the value of the dollar will take a little while yet. So I guess prices will not reflect the lower cost of the dollar, or rather the higher cost of foreign imported products, the foreign imported products will not become expensive immediately.

But that (in the end), I think, will help in one way to adjust the trade deficit in the United States, and allow a healthy growth in its economy. If the U.S. economy is in good shape, I think everybody will breathe easier, including Thailand.

The trouble with us is that we have stuck with America, we have stuck with America for years. Most of the time, however, we have thought of America as the power which can provide a security umbrella. America also represented a sense of fair play and justice, and therefore we are not looking at America just as a market for our products.

The products which are being exported to America are the kinds of products which have been improved immeasurably. We are now quite an effective producer. And then we rushed in at a time when the surge of imports happened to hurt the United States, we also suffered the consequences of rising protectionism.

When currencies realign and the U.S. economy recovers, then I think we will see a return to sanity. I say "sanity" because I think everybody believes that international trade is extremely important for the health of all nations. If you can measure welfare, then I think one-fourth of the United States' progress on welfare depends on international trade. Here in this country it's about 50 percent.

Then there is--I was going to say "was"--this rice question which has hurt Thailand, and perhaps has been made into an issue beyond the economic realm. It represents about 15 percent of our export earnings--considerably large by any standards. I don't think it is wrong for Thailand to cry out.

The measures that have been taken by the United States, reflected in the law passed by Congress, happen to be the kind of measures which the United States already condemns. Subsidies. So the United States cannot preach one thing and act against what it preaches.

The United States has made a move to include agriculture in the new round of MTN (multilateral trade negotiations). The United States wants those countries that have been subsidizing agricultural products to reduce their subsidizes her rice industry. [as printed] Although it may not be much in terms of the volume of money, it is massive in terms of the percentage--more than a hundred percent.

NATION: Many Thai manufacturers and some of the associations say we should have a better lobbying group in the United States to deal with protectionism in Congress.

Kasem: Let me tell you this joke. The American delegation went to see the Pope. They asked if the Lord's Prayer could be changed from "Give us this day our daily bread" to "give us this day our daily soup." His Holiness denied them the possibility. He said this has been said for almost two thousand years, how could it possibly be changed?

The delegation said: "Where we come from anything is possible. We are prepared to pay double what the bread people pay."

So there may be a price, yes. Our involvement in the United States is of recent times. I have told my people: You take Illinois, you take New York, you take California by itself--the purchasing power which is growing faster than anywhere too, is much bigger than many countries on earth.

So obviously you must be working for that kind of market. But of course it is a little tight to work under the present situation, when the rising trend of protectionism seems to be the order of the day.

But I can see the tussle, because the administration and the members of Congress say that these may not be long-term measures. But let me put it this way. When you have interests, certainly you should protect them and if the law and the practice of the country allows that you protect or further your interests--I go one step further: first of all you must try to protect, and secondly to promote your interests.

Now I'm not a businessman myself. I cannot answer some of the technical questions. But if you think that your interests might be injured by someone's actions, then you should have somebody to look after your interests.

Don't think that you can hire somebody like Mike Deaver and then say I have so many interests--look after them. That would be an impossibility, and it wouldn't be prudent either to have someone who looks after everything.

It's better to have a certain line of industry. If your interests are in rice, why not have a group of people to make sure that if something has gone wrong it can be amended. Certainly it will have to be at a price.

I think we have come far enough now for the private initiative to be exercised. Textiles seem to be taking care of themselves, but I have urged that anyone who has any line of industry--even on rice--should have someone to represent them: at a price. The initiative and the funds should come from the interest group itself.

I can recommend a number of people. Right now on the government and private side we have a group very much acting like a watchdog to look at the whole scene. Obviously it cannot promote one line of industry, say steel tubing. But it will warn the government of the difficulties that might ensue and recommend some actions.

We hire lawyers in cases where they are needed. The people in the business themselves hire the lawyers to protect their interests. But to hire lawyers all the time is also expensive. You only take up lawyers when there is a case against you or for you.

So, first of all establish what is your need. Secondly, it is not very difficult to look at some of these lobbyists or consultant firms that would like to contact you. Thirdly, don't call them to come out here because you can't finance it. They won't come out en masse to see what Little Thailand has to offer, go there and have a chat with them, and normally they even pay for the lunch because they think of you as a prospective customer.

Talk with them clearly because you have to agree on an objective. You can't be messy and say I don't know what I want. There is no such thing as a watertight guarantee. Some of them may not succeed, but then you can also have a fallback position. The main thing is to have a clear idea and talk to the people, and sense if you think the people can deliver.

It's simple. It boils down to "I want something, who can deliver it for me--and how much?"

NATION: Can Thailand trade off the ammunition stockpile?

Kasem: No, no. That is a misconception. That is a misunderstanding completely. It has caused difficulties in Thailand. Politically, too many people have picked up the issues.

First, let me put it very clearly. It wasn't America who wanted it. It was us who wanted it. Why? Because we do not have enough ammunition and what not in case--God forbid--things get blown up into a full scale war. However that might possible [as published] be. So the idea here is to have something in reserve.

You can have it if you buy it--but think of the money that you would have to put aside and the interest rate.

But if you can have it where it is convenient, to be supplied to our side, now that would indeed improve immeasurably the second point: our capability to deter.

Thirdly, if you have the deterrence, the best possible chance is that you may never have to use it at all and that is I think the primary objective in the first place.

Once you have found this out, you will again find that the United States has been trying to cooperate with Thailand on this need. Now, two points: Thailand wants America to set up a base here in Thailand? No definitely. America wants to set up a base in Thailand? Definitely no. So what are all these rumours which I don't understand? It seems that the Americans are so worried about fighting on the mainland--which I don't think will ever come. And they think the best way is deterrence. So you have the stockpile in order not to shoot.

NATION: You weren't in the United States when Thailand voted against the Libyan action--but do you think this is going to make any difference?

Kasem: I would be lying if I said it wouldn't make any difference. This is a one-shot affair, I would say, and I think our friends in the United States probably would understand to a certain extent. It involves the lives of many Thais and so on who happen to be working in Libya.

I think that in the United States, the importance of life, or the attachment to the importance of life, is indeed something which is readily understood and appreciated. So I don't have to go through that again, to explain it. I will not go through the technical question of right or wrong in terms of principles. I'm not the ambassador to the United Nations. I'm solely concerned myself with the relationship between Thailand and the United States.

NATION: What was the reason for Nancy Reagan's visit?

Kasem: She was coming out all the way already with her husband, to be with the President in Tokyo. But these are the kind of questions that the Americans themselves will have to answer.

NATION: Do you think that this was a gesture to show their approval of Thailand?

Kasem: I will not comment on that. I will only comment on one thing: I think we have good friendship and the President thinks of us--that Thailand is in a good state and that I think the country is a friend and ally of the United States; a friend which has become to be in a better position, to have more clout because its part and parcel of ASEAN, doing more business with the United States, with an intensified political relationship with the United States.

We belong to the Eastern Pacific Rim--if you think of that dynamism--you think of all these things in connection with one another. You think of Thailand which has grown and prospered in free enterprise, a model economy. You don't have to fight the others in terms of ideology to prove a point....

So I think it is something which the President--I don't know if I could speak for him--would feel if we could have some of the places in this world which we are not quite sure of, if there could be something like Thailand, I think America would be very happy.

So I think in this case Mrs Reagan could be assured of one thing--the warm reception here which was more than evident.

NATION: A dress rehearsal for something more to come?

Kasem: I cannot answer that. I have no idea.

NATION: A good effect on tourism too? If Nancy Reagan can come here and not be shot at....

Kasem: I hate to prosper on other people's woes.

NATION: Someone said "quick let's move into the Middle East with our rice" and we are selling maize now to Libya.

Kasem: Well, the Iranians are buying from us. I read somewhere that we have reached the bottom in terms of primary commodities and the signs ahead might be better than the gloomy prospects which many people predicted, but I don't know.

NATION: How does America view Thailand?

Kasem: America is such a vast country. Not all of the people have travelled abroad. America is not viewing the celluloid from Thailand, so obviously they cannot think of Thailand very much. Fewer people from Thailand have gone to the United States, and yet the Thai people have some conceptions about America and its people.

The majority of the American people have very little knowledge, say, about Thailand. Well, how to educate the people is one thing. I think it is for America to educate its peoples about the world because it is important. When you are the power, then you must understand the world.

I do hope that in Congress they have that kind of attitude. They must know the world and operate with the world.

NATION: Will the Thai general elections change things?

Kasem: Take the last general elections. You will see that the philosophies of the various political parties, which participated and were successful in that election, concerning the West, concerning particularly ASEAN which is the bedrock of our power and our influence--you see that there are not differences. No real differences. Maybe a little shade here and there.

The way I put it to many American people. I say do you know why we have refugees? Because we have been successful. And that's why we have people running away from supposedly heaven into supposedly hell.

I don't like to have that problem. I wish we could relieve ourselves of that problem, but it's so reflective.

NATION: What about the election here and the fact that for the next three months we have a caretaker government?

Kasem: From the American standpoint? I guess first of all America will like it that we do it in a democratic way. The continuity of democracy is something which the president himself attaches great importance to.

I have reminded our government constantly that one of the assets which [has] great meaning and great significance in dealing with the administration and the Congress, and the people in the United States, is democracy.

NATION: Do you think the Americans feel that there's a threat of the military taking over--do they have an attitude towards that?

Kasem: This is an internal affair for Thailand. I guess everybody would be... er...deep in the reserves of the mind there must be that kind of worry too.

Remember the time when Weinberger and others stressed this point? I think it is not only the Americans, but people all over will be rooting for democratic rule in Thailand. I think it has taken hold nicely. Let's hope that we would have the wisdom to go on.

I told THE NATION when I left my post as permanent secretary almost four years ago, and at a seminar at Chulalongkon University, to realize something, aside from all these factors, that we are now more powerful--very limited--but more powerful than what we were in the long past. We are now more influential than in the past. Are we aware of the fact that we possess these powers that can be put to good use for the constructive purposes or for our own benefits.

Secondly, I said, which is important, we must possess the courage to use it. And thirdly, the wisdom to use it properly.

So I think it still remains true to this day. The democratic way may not be the way which many people like. Expediency may dictate but constraints are something which--unless you are in heaven--even God has constraints too! Everybody must learn to operate.

NATION: On the whole you are optimistic.

Kasem: I think so, I have reason to be optimistic. If there are no worries at all we are not down on this earth, we must be somewhere else. Shangri La.

NATION: Will problems about copyright be ironed out in time?

Kasem: There could be difficulties. So I think that needs to be tackled. At the same time they need to be tackled in the most effective way.

It doesn't mean that you can resolve it overnight. The people in the United States feel that their interests have been affected. Now, if and when interests are being affected unfairly, I do hope, like in the rice business it can be resolved. It should be resolved.

I don't believe in wide, omnibus trade bills, like making worldwide efforts for a problem they're not quite sure of. I think American moods have turned to something like reciprocity. Although they make exceptions to the rule when it comes to rice.

So if America thinks she has a problem, that she is being unfairly treated, at the receiving end of unfair practices, then they're bound to come back to hit at you. If they hit at you then I think you'd better be aware that you were warned, because no one can say that they haven't been warned.

My job is to make sure that the members of the United States Congress are fully aware of what's going on. Not because somebody got up and said "you know they make watches or drugs in Thailand we should go and hit them." That is bad. Decisions like that could become law, but it is ridiculous. It should be with knowledge of what has been done, and what could be done in bilateral efforts to put together.

I have done it. I have rounded up my ASEAN colleagues. This six of us have written several letters--it has to be in letters, as evidence--to remind them that all these things must be viewed first against the background of good and mutually beneficial relations.

So are they going to shoot Thailand dead because of these medicines and forget about the favourable trade picture with Thailand, with ASEAN? That would be ridiculous. That would be far too short-sighted.

Secondly, whether Thailand and the United States have put their heads together to try to solve this problem. Thirdly, how much progress has been achieved so far, and whether further progress could also be made.

In short, I ask people not to be emotional. To act on factual, on analyses. On the other side of the coin, I would advise Thailand to be aware of this problem and not say, "look here, I don't know the existence of these feelings."

NATION: The Board of Investment will be sending a mission to New York in June. Will they be going to Washington?

Kasem: I hope they will. They have now a firm which helps them. But I do hope it will be something of a regular nature. You've got to constantly remind people. People are looking at all the possibilities. America is a country where if people see the opportunity, they go.

Secondly, I have said something about California, I have said something about Illinois, New York. New York is not America.

What I'm trying to say here is that you must reach out. You must go out and serve Thailand. You can't do it in one place, meeting people you are familiar with. You must go into territory where Thailand has had no previous contact. You go to Dallas, Houston, and so on.

Someone in Dallas asked what would be the principle cities of the United States by 1990? He said it will be Dallas, Atlanta, New York, Chicago, San Francisco, Los Angeles.

And then we have to be a little bit more specific. I would like to see not only the board. I would like to see business people too.

I'll tell you one thing. The investment procedures in Indonesia might not be as smooth as the ones in Singapore but they are setting up foreign investment.

And the guiding principle will always be the guiding principle.

/8309
CSO: 4200/1006

ARMY AGREES ON ANTI-CPM MOVES WITH MALAYSIA

BK040312 Bangkok THE NATION in English 4 May 86 p 3

[Text] Thai and Malaysian troops have agreed to launch a "combined operation" against the Communist Party of Malaya (CPM) along the countries' common border, informed military sources said yesterday.

Under the agreement, which was adopted at the 48th Regional Border Committee meeting in Ipoh, Malaysia on April 24, the two sides will form small military units to stage heavy military action against communist guerrillas for limited periods.

The proposed combined operations were first introduced during the 44th meeting and the two neighbouring countries later reached a conclusion that such an operation was necessary when there are "clear targets" and "enough time" for Thai and Malaysian officers to map out operation plans.

The sources said the meeting also discussed a planned joint military exercise, an exchange of visits between the two sides' combined task forces and a social and economic development programme for the border areas. Fourth Army Region Commander Lt Gen Wanchai Chitchamnong also informed the Malaysians of a plan to set up a forward command outpost in Pattani in Maya, the sources said.

So far Thailand and Malaysia have four joint military operation plans: combined operations, coordinated operations, unilateral operations and joint operations, to fight the estimated 2,500 CPM guerrillas hiding along the 600-kilometre (350-mile) border.

In combined operations, the two sides' "combined task force centres" map out plans in advance for attacks on specific targets in a limited time. In coordinated operations, troops from one country can cross the border into the territory of the other country on condition that their commanders notify the other of the operation.

In a unilateral operation, troops of each country freely launch operations in their own territory. Joint operations are large-scale offensives against the guerrillas.

The Fourth Army Region recently decided to establish a forward command outpost at Ingkayut army camp in Muang District of Pattani Province this month in an attempt to support the fight against remnants of the banned CPM and Muslim terrorists who have been terrorizing the local people.

Lt Gen Wanchai, in an earlier interview, said the new command post is aimed at helping the authorities wipe out armed insurgents in border areas. Supplies of ammunition and arms will be more readily available to soldiers fighting the insurgents when the new command post is set up.

The command post, he said, will also help tighten cooperation among authorities in local areas, including border patrol policemen and provincial policemen. The commander also estimated there are still 1,460-1,630 CPM guerrillas operating along the Thai-Malaysian border.

Military operations against the insurgents could not be fully carried out because of the distance between the headquarters of the Fourth Army Region at Wachirawut Camp in Nakhon Si Thammarat and the border areas.

Lt Gen Wanchai said it has been his policy since he assumed office in 1983 to try to persuade guerrillas to lay down their arms and surrender. However, military pressure has to be applied occasionally because many of the insurgents continue their armed struggle.

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CSO: 4200/1006

FINANCIAL COOPERATION ACCORD SIGNED WITH FRG

BK040902 Bangkok Domestic Service in English 0000 GMT 4 May 86

[Text] Thailand and the Federal Republic of Germany have signed a financial cooperation agreement, under which the latter would provide about 480 million baht in concessional loans and grant aid to Thailand for its three development projects. Representing Thailand at the signing ceremony on Friday [2 May] was Finance Minister Sommai Huntrakun, while West Germany was represented by Minister for Economic Cooperation Dr Juergen Warnke.

The agreement, the ninth financial assistance from West Germany for the year 1985, is divided into 420 million baht concessional loans and 60 million baht grant aid. The loans are for two Thai development projects under the economic and social development plan, including 240 million baht for improvement of the Chon Buri water supply project and another 180 million baht for the procurement of the telex subscriber sets. The loans carry 2 percent interest per annum, with repayment in 30 years including a 10-year grace period.

The grant aid of 60 million baht is for village development program, No 4 along the border of Thailand and Kampuchea. The latest amount of grant aid would bring the total support under the program to over 600 million baht.

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CSO: 4200/1006

PAPER LOOKS AT RESULTS OF BALI TALKS

BK050121 Bangkok THE NATION in English 5 May 86 p 4

[Editorial: "Little Achieved in Bali Talks"]

[Text] When American President Ronald Reagan flew to Indonesia last week on "winds of freedom," his trip was billed as one of substantive value to Southeast Asia and not just a "transit stop" on his way to the economic summit in Tokyo. But, after pondering over all the news stories that have emanated from Bali, one really wonders what concrete achievement was made in his talks with President Suharto and with the six foreign ministers of ASEAN.

When the ASEAN summit of 1975 was held in Bali, it was attended by M.R. Khukrit Pramot, who was then prime minister of Thailand. After the summit was over Khukrit said that Bali was supposed to be a paradise on earth and "there can be no disagreement in paradise." His double negative was well-chosen because this time there seems to have been agreement but without any substance.

From Thailand's point of view, the most important question was the Farm Act which will drastically affect our rice export. Neither Reagan nor Secretary of State George Shultz was able to assure Foreign Minister Sitthi Sawetsila that the U.S. administration will be able to take positive action to protect Thai interests.

The best that Reagan was able to do was to say that he will act within the parameters of the law to ease the pain. But acting within the law he will not be able to do anything to prevent Thai rice export being hurt. If we try to put what Reagan said in plain language, it would mean that subsidized U.S. rice exports will be in direct competition with Thailand and that he can do nothing about it.

There were also only words to satisfy ASEAN foreign ministers about Kampuchea which is a common concern. The United States has always backed ASEAN efforts to find a political solution to the Vietnamese occupation of Kampuchea and it was nothing spectacular that Reagan gave his support for the peace proposals made by the Coalition Government of Democratic Kampuchea.

What assurance he gave was a little far-fetched. He said that he will take up the Kampuchean question with Soviet leader Mikhail Gorbachev in the next summit. But right now, after the U.S. bombing of Libya, it is not even sure there is going to be another summit.

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CSO: 4200/1006

THAILAND

VOFA CARRIES ASEAN MEMO TO TOKYO SUMMIT

BK071415 Bangkok Voice of Free Asia in English 1500 GMT 6 May 86

[Text] After the special meeting of the foreign ministers of the Association of Southeast Asian Nations, known as ASEAN, in Bali on 29 April 1986, an ASEAN memorandum has been given to the leaders of the seven industrialized countries who met for the economic summit in Tokyo during 4 to 6 May. ASEAN has shown deep concerns on global trade and economic situation. Inter-dependence between the developed and developing countries has also been emphasized as the important role in solving the economic problems. And following is the ASEAN memorandum to the Tokyo summit.

The momentum towards global economic recovery has recently shown some encouraging signs, specially in some industrialized countries. Developing countries on the whole, however, are still facing a number of critical problems resulting from trade and budgetary imbalance, export earning shortfalls, and scarcity of financial resources. These problems have been caused by slow economic recovery, and are further aggravated by mounting trade protectionism, continuing sharp decline in prices of agricultural products and primary commodities, and the unresolved international debt situation. In order to sustain and spread the world economic recovery, concerted and complementary actions are urgently required. It is clear that in times of global economic recession, all countries are affected. Efforts aimed at world economic recovery should give due regard to the growing inter-dependence among developing and industrialized countries.

Trade interests of developing countries as partner in the international trade cannot be ignored or overlooked, since improved economic performance of these countries translates into [phrase indistinct]. Only through initiatives on the global scale can the current economic problems be resolved and the benefits from the revitalization of the world economy be fully realized for all. ASEAN views with great concern the accelerating protectionist pressure which threatens to undermine the existing open market system. ASEAN is concerned with legislations being proposed in some developed countries that would serve to hinder a freer climate of the global trade, which is an important objective of the new round of the multilateral trade negotiations. ASEAN is also concerned that, despite the market opening measures undertaken by some developed countries, it has benefited little from these measures. These developed countries, which have benefited tremendously from the open market system under GATT over the past decades, must provide greater market access to exports from developing countries, including ASEAN. Attempts to resolve bilateral trade problems between certain developed countries often have adverse spillover effects on the exports of ASEAN countries, and have further exacerbated ASEAN's economic problems, which are compounded by falling commodity and oil prices. The objectives of the new round of multilateral trade negotiations should be higher economic growth through enlarged and secure market access for products of interest to all countries.

ASEAN has made special efforts to consistently take a constructive stand in support of the new round of multilateral trade negotiations. ASEAN has stated that issues of interest to ASEAN should be given priority in the new round of multilateral trade negotiations and also indicated its readiness to discuss the new issues. For ASEAN, the issues of priority interest are: tropical products and natural resource-based products, tariff escalation, non-tariff measures, safeguards, dispute settlement, trade in agricultural products and subsidies. ASEAN would also like to emphasize that in any negotiations on all issues in the new round of multilateral trade negotiations, the principle of special and differential treatment for developing countries should be strictly respected.

These are also issues of interest of many developing countries. The developed countries should ensure that these issues, which contribute to the overall objectives of the general agreement, are adequately and promptly dealt with in the new round of multilateral trade negotiations so that improved market access for ASEAN exports will result. As the time for decision on the launching of the new round approaches, it is imperative that the developed countries be more forthcoming by effectively committing themselves to the principle of standstill and rollback of restrictive trade measures.

Textiles is a major industry for ASEAN and its contributions to the strength and economic viability of the ASEAN economy is considerable. ASEAN is therefore concerned with the fact that trade in textile has come under severe protectionist pressures. ASEAN registers its objection to the restrictive elements contained in existing bilateral agreements, aggregate limits, overhand and antisurge, lower growth rates and reduced flexibilities, and views with serious concern the proposal by major importing countries to extend the product coverage and to introduce the concept of cumulation of the new multifibre arrangement.

ASEAN feels that this protectionist trend must be reversed. In supporting the renewal of the multifibre arrangement, ASEAN will be guided by the principles that the renewed multifibre arrangement must contain liberalizing elements which would improve market access for ASEAN exporters of textile.

ASEAN hopes that the major textile importing countries will, in the negotiations for a renewed multifibre arrangement and for the new bilateral textile agreement with textile exporting countries, adopt positions which are consistent with their intention to liberalize international trade as reflected in their call for new round.

The ASEAN economies are heavily dependent on commodity and oil from their export earnings. The sharp decline in agricultural commodity and oil prices, and ongoing difficulties in markets for key agricultural products and primary commodities and oil have critically affected economies of the ASEAN countries, and are, therefore, issues of great concern to ASEAN. International community agreement, which has traditionally played a fairly effective role in price stabilization, have increasingly become less effective. There is an urgent need for increased cooperation between producers and consumers to restore a stable and conducive environment for the long-term benefit to producers in the form of fair price to stimulate investment and for the benefit of consumers in the form of uninterrupted future supplies.

ASEAN is also concerned that while protectionist regimes in agriculture continue to impede LDC market access in contradiction to the principle of free trade, the further [words indistinct] agricultural export subsidies and restrictions by certain developed countries has aggravated the situation, putting greater pressures on an already depressed market. There is a need for collective action to reverse this trend by actively supporting ongoing efforts in GATT and in the new round to strengthen rules on agricultural trade, reduce distortions, and to allow trade in agriculture to better reflect comparative advantage and free market forces.

ASEAN views with concern the increasing trend of developed countries to invest in other developed countries. This development has been exacerbated by the protective policies of developed countries which has encouraged the establishment of manufacturing plants in captive markets behind high tariff walls, resulting in the decline of investment and transfer of resources from developed to developing countries. Equally of concern to ASEAN is the slow progress over the transfer of technology. ASEAN urges developed countries to take positive actions to encourage and promote greater transfer of resources and technology to developing countries. Positive actions in this direction would greatly facilitate an increased trade flow. The debt crisis continues to plague many developing countries. A fundamental solution to the debt problem requires the expansion of export earnings of debtor nations. This easing of interest rates in the financial markets will help elevate the place of the developing countries whether debtor nation or not. ASEAN welcomes continued effort in this direction. The (Baker) plan, despite its limitations, indicates a greater appreciation of creditor countries for the growth requirement of debtor countries. ASEAN welcomes this development and hopes to see greater evidence of this change in approach to the debt problem.

ASEAN urges the developed countries to cooperate and coordinate the microeconomic policies in order to enhance the stability of exchange rates, which will also pave the way for the expansion of the world economy and world trade. ASEAN's desire to cooperate with the developed countries is clearly demonstrated by its input to the two summit meetings of Western industrialized countries in London and Bonn. ASEAN hopes the Tokyo summit will take into fuller account the concerns and interests of ASEAN, which has formal and institutional cooperative relations with all the participants to the summit and which shares with them a commitment to an open market economy.

It is further hoped that the outcome of the summit will have tangible and positive contribution toward sustaining economic recovery and growth of developing countries. ASEAN looks forward to a positive response from the Tokyo summit participants to ASEAN's concern contained in this memorandum.

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CSO: 4200/1006

RED CROSS OFFERS TO MEDIATE WITH CAMBODIA

BK070152 Bangkok THE NATION in English 7 May 86 pp 1, 2

[Text] The International Committee of the Red Cross (ICRC) yesterday proposed to act as an intermediary between Thailand and the Phnom Penh regime to help solve "humanitarian problems" including the repatriation of about 230,000 Khmer displaced persons along the Thai-Kampuchean border, the organization's president said here.

Alexandre Hay told THE NATION in an exclusive interview that he had put forward the offer during his separate meetings yesterday with Deputy Premier and Foreign Minister Sitthi Sawetsila and Squadron Leader Prasong Sunsiri, the secretary general of the National Security Council.

Hay who arrived here Monday for a three-day visit said since the Geneva-based ICRC is a neutral humanitarian organization, the Thai Government can make use of its services to help relieve the plight of the Kampucheans.

Hay said the Thai side's response to the ICRC's offer is "very encouraging" and Jean-Pual Fallet, head of the ICRC's delegation here, will hold further discussions with Thai officials on the matter. Fallet was also present in the meetings.

He said the ICRC, which is also represented in Phnom Penh is prepared to negotiate with the Heng Samrin regime to bring about the repatriation of the Kampucheans who are under the control of the Supreme Command and assisted by the United Nations Border Relief Operation (UNBRO) and the ICRC.

He cited other two areas which the ICRC can also provide its services: the reunification of the Khmers along the Thai border with their family members in Kampuchea and the tracing of missing Kampucheans.

The 67-year-old president said some Kampucheans are trying to locate their missing relatives who might be living at evacuation sites along the Thai-Kampuchean border, adding that such tracing needs cooperation from Thai authorities.

The 230,000 Kampucheans have fled their homeland since the Vietnamese invasion in December 1978 and have been at the border ever since. Because their status is displaced persons, not refugees, according to the Thai Government, they are not entitled to resettlement in third countries.

The Thai Government so far has not allowed the Kampucheans to assimilate with local Thais. The only solution is the repatriation which is, however, obstructed by the Kampuchean conflict.

Thai authorities are also concerned that any contact with the Heng Samrin regime will be construed as recognition of the Vietnamese-backed ruler which is not recognized by the United Nations.

Hay said he assured the Thai side that the ICRC's service will not imply such recognition, since it is a humanitarian and neutral organization. "We are not in a position to recognize any government or not."

The ICRC's president quoted Sitthi as saying that further discussions between Thai officials and the ICRC's delegation here are needed before making any decision. However, he said, "The Thai side has left the door open."

He said the ICRC is also prepared to carry out any other alternatives which will help solve the problems of the Kampucheans.

The ICRC's offer to be the intermediary has been discussed by its delegation here with Thai officials, he said. However, his own proposal, as the highest authority of the ICRC, was seen as a more official matter.

He said he has the impression that the Thai Government is willing to let the Kampucheans go back to their homeland.

Observers see the repatriation as a loss of civilian bases for the Coalition Government of Democratic Kampuchea (CGDK) which is recognized by the UN and ASEAN as the legitimate government of Kampuchea.

Hay who has been the president of the ICRC for 10 years said he also discussed with Sitthi and Prasong the upcoming International Red Cross Conference which is to be held in Geneva late October.

Delegates from 164 countries including Thailand which ratified the four Geneva Conventions relating to the treatment and protection of wounded servicemen and civilians in time of war will participate in the one-week meeting.

Hay who will also visit Malaysia, India and Bangladesh said he is in the process to ask governments to ratify other two protocols dealing with protection of victims of international and non-international armed conflicts.

So far, only 55 countries have ratified the first procotol and 58 for the second.

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PAPER REPORTS ON TALKS BETWEEN SITTHI, BURMA'S U YE GAUNG

BK080108 Bangkok BANGKOK POST in English 8 May 86 p 3

[Text] Thailand and Burma yesterday agreed to step up official contacts to foster closer ties.

Agreement to expand ties which will encompass trade and cultural cooperation was made in talks between Burmese Foreign Minister U Ye Gaung and Deputy Prime Minister and Foreign Minister Sitthi Sawetsila.

U Ye Gaung said relations between Thailand and Burma were "excellent," and ministry spokesman Sawanit Khongsiri said the ministers agreed that joint efforts should be made to create an atmosphere of peace and stability in the region.

ACM [Air Chief Marshal] Sitthi reaffirmed Thailand's commitment to establish closer relations with Burma and was willing to increase cooperation in trade and cultural areas.

U Ye Gaung told ACM Sitthi relations had improved since the visits to Burma of Supreme Commander Gen Athit Kamlang-ek, ACM Sitthi and Her Royal Highness Princess Maha Chakri Sirinthon recently.

The Burmese minister, Mr Sawanit said, described the visit by Princess Sirinthon as a "landmark" in Thai-Burmese relations.

On bilateral issues, U Ye Gaung and ACM Sitthi touched on the border, minorities and drug trafficking issues.

Thailand also raised the issue of formalising trade. Thai Ambassador to Burma Thongchan Chotikasathian said Rangoon was still cautious on the issue.

On Kampuchea, U Ye Gaung reiterated Burma's opposition to the invasion of Kampuchea by Vietnam.

In a speech last night in honour of U Ye Gaung, ACM Sitthi thanked Burma for the warm welcome extended to Princess Sirinthon.

ACM Sitthi described their meeting yesterday as "very fruitful" and said it demonstrated that "between Thailand and Burma there can always be understanding."

He promised that following yesterday's talks "there will be follow-up actions by officials of the various departments concerned."

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'NEW ALLIANCE' TO TRY TO BLOCK DEMOCRATS

BK040237 Bangkok THE NATION in English 4 May 86 pp 1, 2

[Text] A new alliance comprising Chat Thai, Muanchon and Community Action parties is being formed to block the Democrat Party's expected "major leap" in the upcoming July 27 general elections, high-level political sources told THE NATION yesterday.

The Social Action Party (SAP) is expected to dwindle significantly with the departure of at least 54 MPs led by dissident MP Buntheng Thongsawat who has held talks with Bunchu Rotchanasathian through former SAP members to join hands in the new political line-up.

Sources said more than ten dissident SAP MPs met Bunchu at his Hua Hin resort on Friday to express their readiness to join his new Community Action (Kit Prachakhom) Party which is being registered with the Interior Ministry.

The new party has asked former deputy army commander-in-chief Gen Thianchai Sirisamphan and former assistant army commander-in-chief Gen Mana Ratanakoset to run in the elections under the new party's banner.

Muanchon Party, led by Democrat dissident Police Capt Chaloem Yubamrung, has also been holding talks with Buntheng's group to form the alliance. And Chat Thai MP Col Narong Kittikhachon has been in touch with Buntheng's group in the anticipated new team-up efforts.

So far, according to Buntheng's aides, the talks have concentrated on the group's 54 SAP MPs leaving the party to join Bunchu's Community Action Party while linking up with Chat Thai and Muanchon parties in the general elections.

The three parties view the Democrat Party as the "biggest threat" whose growing influence must be checked through their concerted efforts. The dissidents believe that the Democrat Party may "win big" in the general elections and deputy party leader Gen Han Linanon could well assume a major defense portfolio in the new government if the prediction comes true.

The Chat Thai-Muanchon-Community Action alliance will try to line up senior army officers such as Gen Thianchai and Gen Mana to confront the Democrats in this connection, the sources said. They added that it is possible that the three-party alliance has also asked Gen Athit Kamlang-ek, the supreme commander and army commander-in-chief, to be the "team leader" if possible.

Koson Krairoek, another dissident senior SAP executive who has joined up with Buntheng, said yesterday that the party's mainstream led by ACM Sitthi Sawetsila had asked the breakaway group for a compromise. "As far as I'm concerned, a compromise may be possible if no pre-conditions are set by the party," Koson said.

But other dissident MPs in Buntheng group, including Chumphon MP Thiraphan Phetsuwan said he did not believe a compromise is possible. "We are leaving the party because we can't stand the policy adopted by the leaders. The Social Action Party will be in ruins and we have decided to go our own way," he said.

Several senior retired military officers have expressed interest in running in the upcoming elections. They have been approached by the three parties trying to block the Democrats' rise. Some of them have also been asked by the Democrats to run under the Democrat banner, however.

These retired generals include Gen Chamnan Ninwiset, former defense ministry's permanent secretary, Gen Thianchai, Gen Mana, Police Lt Gen Banthoeng Kampanatsaenyakon, assistant police director general who is due to retire this October and Lt Gen Yutthasak Khlongtruatrok, former adviser to the army.

The sources said that Gen Chamnan plans to run in Chumphon under the Democrat banner while Gen Thianchai will run in Lop Buri although he has yet to decide which party he will join. At the same time, Gen Mana will run in Nakhon Phanom under a new party while Police Lt Gen Banthoeng will run in Bangkok either under the Muanchon banner or a new party.

The Democrat Party has reportedly approached former Supreme Commander Gen Saiyut Koetphon, former First Army Region Commander Gen Wasin Itsarangkun Na Ayutthaya, Lt Gen Anek Bunyathi, former commander of the Special Warfare Centre in Lop Buri and Lt Gen Ruamsak Chaikomin, Third Army commander. They have given no confirmation of their decisions so far.

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CSO: 4200/1006

UNIVERSITY AFFAIRS MINISTER LEAVES GOVERNMENT

BK060253 Bangkok THE NATION in English 6 May 86 pp 1, 2

[Excerpts] Ousted University Affairs Minister Prida Phatthanathabut yesterday described his absence during the voting on the controversial decree in the House last Thursday as "an accident."

He said he had to accompany his sick daughter to a medical clinic on that day. He said the trip was delayed because she got stuck in an elevator at the House where she went to see him.

Prida, a Social Action Party [SAP] MP for Chiang Mai and a government whip, expressed "my deep regrets for the incident," referring to the government's loss in the 147-143 vote on the decree on land transportation which prompted Premier Prem Tinsulanon to dissolve the House.

His absence from the assembly hall during the crucial vote has prompted SAP to propose to the premier to purge him and seven other rebel SAP MPs who voted against the decree from all political positions.

Saying he was first confident that the decree would narrowly pass, Prida said the disapproval of the decree demonstrated the failure of the Government-Parliament Coordinating Committee to muster enough votes to fight the dissident faction of SAP, led by its rebellious deputy leader Buntheng Thong Sawat.

"The committee could not resist the strength of Buntheng and his followers who also enjoyed support from the general public and several other MPs," he said. As a government whip, he said he had tried his best to support the government and also intended to raise his hand for the decree on that day.

Prida said he has long felt uneasy being a government MP because: "Whenever I visited people or held talks with my colleagues, most of them expressed dissatisfaction with the government's performance and wanted to see a change in the government. This was evidenced by the fact that most people gave morale support to those who staged the abortive coup on September 9."

Prida, who was apparently in a fighting mood, took to task General Prem for his decision to dissolve the House. "Actually, General Prem should have stepped down instead of dissolving the House since he is not an elected MP. A man like General Prem should not re-assume the premiership. If he does it again, new representatives will also attempt to topple him."

"I am really satisfied with MP's bold decision to kill the decree in order to help people who are already fed up with this administration." He said he learned of the Royal Command relieving him from the ministerialship at 8 p.m. on Sunday.

"At first I was shocked hearing the news. But as the government was defeated, I was fully aware that I had to resign to show my political spirit as a government whip," he said, adding that he had already signed a resignation letter and planned to submit it today.

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CSO: 4200/1006

THAILAND

SOUTHERN COMMANDER INTERVIEWED ON SECURITY

BK080127 Bangkok THE NATION in English 8 May 86 p 5

["Excerpts" of "Recent" interview given by Fourth Army Region Commander Lt Gen Wanchai Chitchamnong to NATION reporter Phongsak Sisot]

[Text] THE NATION: Please comment on the general situation in the south.

Wanchai: Comparing with that of a few years ago, the current situation is more peaceful, especially as far as the problem of terrorism and an insurgency is concerned. Most of the problems at present are social ones. The Communist Party of Thailand (CPT) and Muslim separatist movements have been reduced to only small groups of criminals who deserted their ideology and have been preying on innocent villagers. The only major insurgency group left in the border area is the Communist Party of Malaya (CPM) and we have tried to persuade the CPM members to surrender by promising them security and settlement.

THE NATION: When did the army begin the plan to persuade the CPM insurgents to lay down their arms?

Wanchai: The army has been contacting the CPM for morethan two years. We do not ask them to desert their ideology but we want them to end their armed struggle. However, the CPM guerrillas have refused to lay down their arms.

The guerrillas violate our territorial integrity by occupying some areas on our border. Our Thai villagers cannot go into the areas because of the CPM-laid landmines and booby traps. Besides, the CPM insurgents also demand tributes from the Thai villagers and rubber plantations' owners. The CPM guerrillas even grow rubber trees in the areas under their influence, indicating their attempt to separate our land. So we have to apply military pressure on them though we have no desire to kill them.

THE NATION: What is the reason for the CPM's refusal to surrender?

Wanchai: They said their communist ideology will be spoiled if they come to stay with us. We are not concerned about their ideology, we only want no CPM armed forces in Thai territory.

THE NATION: Does the setting up of the new forward command post in Pattani reflect the failure of the Thai-Malaysian joint operation, codenamed Taksin 8601, to suppress the CPM insurgents early this year?

Wanchai: No. The plan has been conceived because the CPM continued their armed struggle after we had given them so many chances to surrender. After the establishment of the Pattani forward command post, we will increase "our weight" into the suppression, particularly on the CPM.

THE NATION: Which military units will the new command post comprise?

Wanchai: Usually, we use the two units of the Combined Task Forces and the Civilian-Police-Military 43 for the military operations. However, the two units are based too far from the Fourth Army Region's headquarters. So the distance between the regional army and the units in the areas is closer after the new command post has been set up. And after the establishment of the new command post, we will also reorganize all units, such as border patrol police and provincial police's special units, working in the areas. Consequently, we will be able to use all of our forces with the highest efficiency.

THE NATION: Does it indicate that the units concerned have been operating separately despite their common target, the CPM?

Wanchai: Yes. The operations of the local units have been carried out in that way because of the logistics supplies, from the Fourth Army Region's headquarters at Nakhon Si Thammarat cannot be conveniently sent to the border areas due to the long distance between the headquarters and the local units. After the command post has been set up in the area, logistics supplies can be sent to the local units immediately.

THE NATION: What about the movement of Muslim terrorist groups in the south? Following reports of the merging of several movements, will they become active again?

Wanchai: The Pattani United Liberation Organization (PULO) and the Barisan Revolusi National (BRN) terrorist movements have lost their credibility to claim for support from Thai-Muslim villagers in the south. They have only been looking for interest and trying to create a situation to attract support from foreign countries. However, the foreign countries which have been sponsoring southern terrorist movements, now realize the ineffectiveness of the two groups. So the two groups had to merge to form a new movement, called "Mujahidin," and practically adjusting their ideology. We have received reports that members of the Mujahidin are real fighters and are better militarily organized. They claim to be protectors of the Muslim people.

THE NATION: Who are leaders of the Mujahidin?

Wanchai: We still do not know. We know that some groups of Thai-Muslim villagers have been sent for training abroad. However, its number is expected to be only about 100 who are active in the areas where the former terrorist groups were previously active or had influence.

THE NATION: Is the group likely to grow up in the areas?

Wanchai: We are doing everything possible to prevent them from growing stronger. However, it is also up to the local villagers. If they do not support it the movement cannot gain more influence.

THE NATION: Can you tell us about progress in the development projects for the areas recaptured from the insurgents?

Wanchai: Previously, we withdrew our troops after we had seized any of the CPM jungle camps, giving the insurgents a chance to return to the areas. That's why we couldn't effectively beat the CPM insurgents though we continued our suppression on them for ten years. Now, after we seize the CPM camps, development projects will be introduced in the areas, eliminating their chances to return. We build roads to their jungle camps, driving them away. Consequently, they cannot stay in the areas and probably after the ten years, they might leave our border.

THE NATION: After the establishment of the forward command post in Pattani, will there be more chance for combined operations to crack down on the CPM insurgents?

Wanchai: Now, we are ready to launch combined operations with Malaysia to suppress the CPM. However, we still have no appropriate targets for such an operation. Besides, it is not suitable to launch a combined operation in the areas deep inside Thailand which is under responsibility of the civilian-Police-Military 43. However, we will continue our combined operations because our Malaysian counterpart wants it and the operations will also indicate solidarity between the two countries. Another problem for such combined operation is that the Malaysians have to wait for approval from their Defence Ministry, which normally takes about one month. If we have spotted the CPM target, we cannot wait that long because the insurgents will move out of the area.

THE NATION: There has been speculation that you will be moved from the south to Bangkok.

Wanchai: I expect to return to Bangkok in the upcoming October because I only have one year left for my office term and I will retire in September next year.

THE NATION: Please comment on the present state of Thai-Malaysian relations.

Wanchai: Our relations during the past two years have been very good. As the Commander of the Fourth Army Region, I can talk directly to my Malaysian counterpart on any problem. Some problems that we cannot discuss formally during official meetings will be discussed informally. For example, the Muslim terrorist issue which is not included in the joint agreement between the two countries can be discussed outside the meeting room. We understand quite well that the Malaysian side also has some political problems as we have ours in Thailand.

So far I do not see any serious problems between the two neighbouring countries.

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BRIEFS

ECONOMIC GROWTH--Ministers, economic planners and private business leaders have agreed to implement several measures to improve the country's economy. The agreement was reached at a meeting of the joint public/private sector consultative committee at a hotel in Bangkok early this week. The measures include tax restructuring to promote business, capital market development to make it compatible with the economic structure and with defining a clear role for multinational cooperations. Secretary General of the National Economic and Social Development Board Dr Sano Unakun said that the meeting took note of various favorable factors which enable Thailand to cut down its current account deficit by 40,000 million baht. He said that the deficit reduction was achieved through 25,000 million baht in energy saving. The meeting, Dr Sano said, expressed concern over the country's structural problems which include wasteful spending. [words indistinct] suggested that targets should be set for national economic development. The next joint public/private sector consultative committee's meeting will be held on [date indistinct] discuss the business tax restructuring. [Text] [Bangkok Domestic Service in English 0000 GMT 30 Apr 86] /8309

COMMUNIST INSURGENTS SURRENDER--A total of 56 communist insurgents and 29 sympathisers have surrendered to the Third Army Region along with their weapons and ammunition during the past six months, an army spokesman reported yesterday. The spokesman also said that a new communist group, the New Communist Party, believed to be supported by Laos, Vietnam and the Soviet Union, has increased their activities in the North, overshadowing the influence of communist groups currently active in the area. The New Communist Party has been operating in the areas of Thoeng, Chiang Khong, Chiang Rai, Chiang Kham and Phayao, he said, adding that they also forced several communist groups there to join with them. [Excerpt] [Bangkok BANGKOK WORLD in English 28 Apr 86 p 3 BK] /8309

CSO: 4200/1006

HUN SEN ATTENDS CLOSING OF WORKERS' MEETING

BK300330 Phnom Penh Domestic Service in Cambodian 1300 GMT 29 Apr 86

[Text] The first meeting to sum up the outcome of the movement on thrift and creativity by personnel and workers throughout the country held at the office of the Kampuchean Federation of Trade Unions [KFTU] ended on the afternoon of 28 April after working for 2 days.

Attending the closing ceremony on the Presidium were Comrade Hun Sen, member of the party Central Committee Political Bureau, chairman of the Council of Ministers, and minister of foreign affairs; Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the KFTU; Comrade Soy Siphon, alternate member of the party Central Committee and vice chairman of the KFTU; and Comrade Heng Teav, member of the Council of State and vice chairman of the KFTU.

Speaking on the occasion, Comrade Hun Sen highly valued all the feats, great efforts, and sense of thrift and creativity in production by personnel and workers throughout the country who have firmly adhered to patriotism and love for the people and revolution, thus rendering themselves worthy of being members of the vanguard class in fulfilling all tasks assigned by the party and state. The comrade noted: Under the wise and correct leadership of the KPRP, the Cambodian people throughout the country have strived to emulate in restoring production and economic establishments, developing them rapidly in all aspects. Many units, groups, and individuals outstanding in carrying out national defense and construction tasks have been built through this movement.

Comrade Hun Sen also exhorted all participants to disseminate good experiences drawn from the meeting among members in their respective localities so that all can carry out their tasks more effectively and successfully, and to pay attention to strengthening and expanding internationalist solidarity, particularly solidarity with the Vietnamese friends.

The meeting was also honored by the presence of Comrade Ngo Dien, SRV ambassador [words illegible] who handed over medals of the SRV Council of

State to the KFTU. This is proof of the firm bond of solidarity, friendship and [words illegible] cooperation between the working classes and peoples of Cambodia and Vietnam.

In conclusion, the meeting decided to present a commemorative banner of the Council of Ministers to the Phnom Penh Municipal Trade Union, KFTU banners to 5 units, and citation certificates to 35 individuals, 26 units, and 10 groups. The meeting also presented third class labor medals of the Council of Ministers to Don Teav jute factory and Comrade Hay Than of the Phnom Penh Port for being outstanding in practicing thrift and creativity.

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PEOPLE'S REPUBLIC OF KAMPUCHEA

SAY PHUTHANG ATTENDS CEREMONY MARKING MAY DAY

BK010920 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 May 86

[Text] The Phnom Penh Municipal People's Revolutionary Committee, in cooperation with the Kampuchean Federation of Trade Unions, held a tree-planting ceremony at the monument of fallen Vietnamese combatants on the afternoon of 30 April to mark the 100th anniversary of International Labor Day, 1 May. Present on that occasion were Comrade Say Phuthang, member of the party Central Committee Political Bureau and chairman of the party's Central Control Commission; Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the Kampuchean Federation of Trade Unions; Comrade Nguon Nhel, alternate member of the party Central Committee Political Bureau and secretary of the Phnom Penh provisional party committee; and the comrades members of the party Central Committee and leaders of the state institutions, ministries, and offices in Phnom Penh. Also present were the comrades ambassadors, charges d'affaires, and staffs of various countries' embassies in Phnom Penh.

Comrade Mok Mareth, vice chairman of the Phnom Penh Municipal People's Revolutionary Committee, read a speech in which he referred to the history of International Labor Day, the day of the struggle of the world's working class for peace, the right to live, independence, democracy, and socialism. He stressed that this historic May Day comes when the Cambodian people throughout the [words illegible] great victories in all fields and are enthusiastically carrying out all important tasks set forth by the fifth party congress for the defense of our fatherland and its construction toward socialism. He also expressed profound thanks for the wholehearted support and assistance given to the Cambodian revolutionary cause by the parties, governments, and peoples of Vietnam, Laos, the Soviet Union, and fraternal socialist countries.

All the party-state leaders and diplomats then planted trees as a gesture marking this historic day.

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CSO: 4200/985-a

BRIEFS

MOONSHINE PRODUCTION IN CHUONG MY--Much moonshine is produced in Chuong My District in Ha Son Binh Province. There are 40-50 families in Thanh Binh and Truong Yen villages that make moonshine, including families of cadres and party members. In Trung Hoa Village, there are 500 families engaged in this. Each month, they waste hundreds of tons of rice. This must be stopped. Cadres and party members strongly support the provincial CPV committee's directive prohibiting people from making moonshine. Any party member who violates this directive will be disciplined. Families who make moonshine must be tried according to the law. Those who make moonshine must promise, in writing, to stop doing this. The market control units must inspect the places where many families are engaged in making moonshine. Although the production of moonshine in Chuong My has declined greatly, this is still going on. If inspections are curtailed, this will flare up again. During the coming criticism and self-criticism campaign, it is suggested that the cadres and party members in the places mentioned above review their concept of responsibility and discipline in this matter. [Text] [Hanoi NHAN DAN in Vietnamese 26 Mar 86 p 2] 11943

CSO: 4209/460

ECONOMIC PLANNING, TRADE AND FINANCE VIETNAM

ECONOMIC PLANNING PROCESS IN HAIPHONG DESCRIBED

Haiphong HAI PHONG in Vietnamese 13 Feb 86 pp 2,3,4

[Article: "Guidance From the Municipal Planning Committee on Formulating and Implementing the 1986 Plan in Accordance With the Mechanism for Ensuring the Production and Business Control of the Production Installation"]

[Text] To meet requirements concerning economic and socialist business accounting of production installations as Resolution 41 from the standing committee of the municipal CPV committee has stipulated, it is necessary to implement a number of the following critical matters immediately in terms of improving planning.

1- Correctly Carry Out Three Levels of Planning

(Central, localities, and production installations): The Council of Ministers entrusts planning to the municipal people's committee which, in turn, entrusts it to ward and district people's committees and business and production, transportation, capital construction, etc., installations managed by the municipality. The planning of enterprises, federated enterprises, the federation of enterprises, corporations, the federation of corporations, etc., in the fields of production, transportation, capital construction, circulation and distribution, etc., under the management of municipal sectors (hereafter called basic units for short) is the unified planning unit in production-technology finance-society actively formulated by the basic unit based on stipulated tasks and the capability to tap four balanced sources with respect to labor, land, the material and technical base, materials, energy, merchandise, etc., and carried out through economic contracts.

For 1986, the municipal people's committee has turned over planning directly to over 150 production, business, transportation, construction, etc., basic units managed by the municipality and a number of small industry and handicraft production cooperative units managed by wards and districts.

This includes: industrial production and small industry and handicrafts production, 48 units; transportation, 14 units; agricultural production, 17 units; capital construction, 18 units;

distribution and circulation, 18 units; vocational schools, 10 units.

Separately for wards, districts, the municipal military and public security headquarters, production installations in the cultural and social field such as culture, information, education, public health, physical education and sports, television broadcasting, etc., the people's committee still assigns plans as before (turned over to the municipal service on the basis that it develop, consolidate, and achieve balance with each production installation).

Basic units, wards, districts, etc., based on plan norms assigned by the municipality, should reexamine their units' plans and, on this basis, fully use and exploit available sources to supplement the plan to a higher extent and conclude the signing of essential economic contracts (in production-business operations, consumption and provision of materials).

II- On Plan Norms

There are two systems of norms.

1- Legal norms are those which represent the planning unit's primary task vis-a-vis the state and consist of:

- The value of the production of goods achieved or the amount of purchases and sales.

- The primary product: is the norm setting the direction of the basic unit's primary task, the basis for the state to calculate the budget for goods, etc.

- Delivery to the budget: is the norm for economic effectiveness, obliging the basic unit to succeed, the obligation ensuring the state's overall budget balance.

Apply assignment of legal norms appropriately, according to the nature of each basic unit's production and business operation.

a. In the field of industry-small industry and handicrafts (or having an industrial nature): fulfill the three legal norms which are: the value of the production of goods achieved, the primary product, and delivery to the budget (production-business tax).

The primary product norm consists of the key products of the national economy the State Planning Commission has assigned to localities to produce on the basis that the state balances material.

b. In the field of agriculture (consisting of state farms, state-operated stations and farms and ward and district units), the legal norm consists of:

- Products mobilized (or delivered) to the state which consist of: paddy, salt, and export goods (rush, vegetables, pigs, etc.).

- Delivery to the budget (the ward and district level is the state budget collection norm).

c. In the field of transportation, the three legal norms are:

- The volume of goods moved (tons/kilometer).

- Primary transported goods consist of: mined coal, grain, chemical fertilizer, construction material.

- Delivery to the budget (local coastal shipping adds payment of foreign currency as a norm).

d. In the field of capital construction, achieve three legal norms which are:

- The value of installation contracts realized (for design units the value of the project designs realized).

- Primary projects (designated in the annual plan).

- Delivery to the budget.

e. In the field of distribution and circulation:

+ Domestic trade: the legal norm is:

- The primary goods sold on the organized market, consisting of grain and fuel.

- Delivery to the budget.

+ Foreign trade: the legal norm is:

- Total value of export goods delivered, including foreign currency from local export.

- Primary goods, consisting of processed goods produced according to central government plans and farm products, marine products, and arts and handicrafts for local export. Import goods are as designated by the annual plan.

- Delivery to the budget (including the foreign trade difference).

f. For wards and districts, the legal norm consists of:

+ The population growth norm.

- Number of permitted births.

- Industry-small industry and handicrafts production.

The primary product rests with the primary product of industrial, small industrial and handicrafts production.

+ Agricultural production.

- The primary products mobilized for the state consist of: paddy, salt, and export goods (rush, vegetables and pigs).

+ Export

- The amount of foreign currency from exports (local).

- Primary items (agricultural and marine products for export).

+ Domestic trade:

- Primary items sold on the organized market: grain, fuel.

+ Collections for the state budget (consisting of agricultural taxes and production and business taxes).

g. For operating sectors:

Primarily assigned to managerial services, including the production and business portion. The legal norm, generally speaking, is only one norm, delivery to the budget.

In addition to the legal norms assigned to units, there also are guidance norms.

2. Guidance norms are aimed toward guiding and creating conditions for planning units to bring into full play their initiative, creativity, and versatility in the process of guiding and directing the successful implementation of assigned tasks.

When assigning production planning norms (consisting of both legal and guidance norms), closely connect them at the same time to balancing materials, energy and planning norms for consumption of products so an active basis exists for concluding signing of economic contracts on providing supplies, raw materials, electrical energy, and product consumption.

For units producing the means of production and consumer goods in large volume, enterprises have the right to sign consumption contracts directly with customers (e.g., for machinery, equipment, food products such as ice, fresh water, etc.) without going through any other business company or intermediary.

III- On Planning for Material-Energy Supply

+ Material: The present material and energy situation is still not balanced. We cannot commercialize material in the immediate future, so there must still be planned distribution of material. For products in the legal norm, sufficiently balance material on the basis of technical economic norms set by the state. In the course of implementation, the people's committee will adjust the product norm for the production installation if materials are not supplied as planned.

As for the types of products under the guidance norms, materials are balanced according to the capabilities the municipality has. For the remaining portion, production installations balance through available sources of self-exploitation (joint businesses, associations, processing, etc.).

At the very beginning of the year, the municipal people's committee will advise production installations and material supply organizations of the materials which have been balanced in the plan. Depending on the nature of each type of material, the municipal planning commission will notify basic units once each quarter or semi-annually so that they may come and sign contracts for receipt of specific materials with supply organizations and cancel issuance of weekly miscellaneous material orders. The ward and district levels and municipal operational services cannot stockpile material but must instead balance and deliver all of it to production and business installations.

When a number of specially used materials managed by ministries have been allocated to the municipal services, the requirement is for them to specifically allocate them immediately to districts and production installations so they can seize initiative in production and business.

It is necessary to rearrange the organization of the municipality's (localities) material supply organizations. The municipality needs only one to two level 2 material supply corporations; districts have level 3 material corporations. Sectors and wards do not organize material corporations. For the immediate future, these corporations ought to be reoriented toward obtaining materals outside the planning norms assigned by the state.

Materials and merchandise according to the plan are provided directly from level 1 corporations to production and business installations, or to specialized corporations in districts, eliminating unnecessary intermediaries.

Agricultural materials (fertilizer, equipment, etc.) for the districts are received directly from level 1 corporations from the very beginning of 1986. The municipal agricultural materials corporation must take responsibility for anyplace in the districts unable to accept them.

+ Energy: (power network) on the basis of the plan assigned by the state, the planning commission together with the electrical power service specifically allocates to basic units and wards and districts right from the beginning of the year or once every 3 to 6 months. Organizations supplying electricity are responsible for providing a sufficient and stable amount as stated in the plan.

On the basis of contracts concerning the receipt and supply of materials and energy, implement a system of two-way rewards and penalties between material and energy supply organizations and production-business installations according to economic contracts for the purpose of ensuring equality in economic responsibility between both sides.

IV- Capital Construction Investment Plan

We must correctly implement the process of capital construction planning. Projects without economic-technical justification which are approved by higher authority will not be included in the work plan (except in extraordinary cases).

On investment capital, the spirit of the CPV Central Committee's resolution 8 is to transfer a major part of investment capital and all the liquid capital of enterprises to forms of credit. Production and business installations are responsible for presenting the effectiveness of investment capital, the time period for repaying capital, etc., to the bank and developing the plan for borrowing investment capital for their projects.

For new projects involving a large amount of capital, the municipal budget expends a portion and the production installation uses capital of its own and gives loans for a portion.

For projects involving in-depth investment and expanding production, use the existing capital of the basic unit itself or borrow from the bank.

On the basis of 1986 investment capital for capital construction approved by the municipality, the municipal planning commission notifies the production installation of the capital the budget is providing and the capital to be borrowed from the bank, and the installation goes to the bank to sign the loan contract as Resolution 41 of the municipal party committee's standing committee stipulates.

For production-business installations, investment capital is announced and delivered directly to the installation. For communications, water conservancy, and housing projects, public welfare projects, and cultural, educational, public health, etc., undertakings, investment capital is announced and turned over to the management board of the project.

Investment capital delivered directly to installations or management boards of projects are announced to municipal services so they may offer direction, conduct inspections, and encourage implementation.

Material is balanced for capital construction investment capital, except for strategic types of material such as iron, steel, cement, wood, etc., managed by the state which it must supply. For other, ordinary types of material, commercialization is done.

V- Labor, Wages and Training Planning:

Must be constructed on rational labor norms and guarantee profitable production and business. Directors of basic units are responsible for the labor norms applied in their units. The wage plan is determined commensurate with the volume of production and business on the basis that the level of expenditures for wages is sufficient for a unit of product or unit of value. The director of the basic unit is responsible for developing and registering the levels of wage expenditures. Consolidated management sectors review and partcipate in the views on levels of wage expenditures which are too high compared with the norm approved by the state (or by the municipality). The municipality does not limit the level of income of cadres, workers, and civil servants in order to encourage basic units to economize manpower.

Concerning training plans: encourage new training and bolster the skills for workers supporting the requirement to expand production and business. Regarding new training for technicians and specialists, the basic unit is responsible for making expenditures for every need in its unit's training process. Production installations have authority to hold training classes for special trades. Other trades are sent through the municipality's trade schools.

Student enrollment for training must be tied to the user area and must be agreed to by the user installation (district, ward, installation) to restrict to a minimum assignment of tasks from one ward or district to another.

Presidents of vocational middle schools and trade schools have the authority to sign training contracts with installations based on new enrollment norms for annual training.

VI- To Develop, Consolidate, and Balance Plans and Turn Them Over Quickly, Systematically and Promptly to Installations Annually, Be Extremely Concerned About Ensuring the Process and the the Progress of Plan Formulation

The annual plan and the 1987 plan is developed in the following sequence and according to the following schedule:

At the end of the second quarter of 1986, the municipal planning commission turns over the guidance norms to the ward and district production and business installations and to units directly subordinate to the municipal people's committee. Based on the guidance plan norms, the units develop the overall plan of their unit and, at the beginning of September 1986, send their report and plan norms to the municipal planning commission and to the

the management service (for directly subordinate basic units) so the former can consolidate and balance and report to the municipal CPV committee and the municipal people's committee for adoption. At the beginning of November 1986, the municipality defends the plan before the Council of Ministers and the State Planning Commission. At the beginning of December 1986, the municipality turns the official plan over to installations and wards and districts.

At the end of June annually, basic units and wards, districts, etc., directly subordinate are responsible for reporting the status of plan fulfillment for the first 6 months of the year and for setting forth the plan tasks for the last 6 months of the year and essential motions to be sent to the municipal people's committee and through the planning commission and management services so the planning commission can consolidate and report to the municipal CPV committee and the municipal people's committee for plan adjustment when necessary.

Although the people's committee does not turn over labor, wages, and training as legal norms, basic units, relying on guidance norms (if any), must still have adequate plans to serve as the basis for balance in labor, grain, cash, material, merchandise, etc., needs.

Municipal services together with the planning commission specifically developed the 1986 plan and presented it to the people's committee for approval at the end of January 1986 in order to turn it over to basic units, wards and districts. It is necessary to look into to developing a supplemental plan and, no later than 15 February, have a report to be forwarded to the municipal planning commission and the management service (for directly subordinate basic units) in order to consolidate overall plans for the entire city and to serve as the basis for basic units to conclude economic contracts with related units.

The municipal planning commission and specialized services, depending on the function of each sector, are the staff organs helping out the municipal people's committee. With the administrative-economic management function, specialized services have direct responsibility for helping installations to develop and consolidate the plans from installations managed by sectors. At the same time, they provide guidance, monitor, inspect, and see to it that directly subordinate installations carry out the assigned plan. The municipal planning commission, which is the organ balancing and consolidating the overall plan for the entire city, is responsible together with management services for guiding installations and wards and districts in formulating plans and consolidating the overall plan of the municipality from the bottom up and, together with specialized services, studying, reviewing, and unifying assignment of plans to basic units (directly subordinate to management sectors) before presentation to the municipal people's committee which issues the official decision.

6915
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HO CHI MINH CITY YOUTH UNION PARTICIPATES IN MARKET MANAGEMENT

Hanoi THANH NIEN in Vietnamese Nov-Dec 85 pp 18-20

[Article by Dinh Lien Huong: "The Youth Union Participates in Market Management in Ho Chi Minh City"]

[Text] As was the case in a number of provinces and municipalities all over the nation, the market and prices situation in Ho Chi Minh City before an dafter the money exchange on 14 September 1985 underwent many upheavals, prices were pushed to excessively high levels, the market was unstable, and a considerable quantity of essential goods were bought up by speculators, which created a situation of artificial scarcity. Taking advantage of that, bad people stepped up their distorted propaganda, raised prices, and took in illegal profits, which affected the productivity and the daily lives of the working people.

Resolving those problems is at present an urgent, important mission of the entire Party, the entire population, and all sectors, echelons, and mass organizations, including the Communist Youth Union, which plays an assault role. With a spirit of assaulting the difficult tasks and the urgent problems of production and life, positive participation in market management and price management are now difficult, urgent, and important tasks which the Youth Union and youths cannot ignore. That hot front presents a challenge and most readily reflects the role of the Youth Union and the assault and revolutionary strength of our youths.

Strictly implementing the important resolutions of the Youth Union Central Committee and the important directives of the Municipal Party Committee, especially Directive 40 on strengthening management, stabilizing the market, strengthening discipline, and maintaining prices within socialist commerce, the Youth Union chapter of Ho Chi Minh City promptly issued the necessary directives and launched a movement for Youth Union members and youths to participate in market management and price management. The propaganda and education work was carried out in all subprecincts, villages, precincts, markets, etc. That helped the Youth Union members, youths, and the popular masses to gradually understand Resolution 8 of the Party Central Committee and illuminated the necessity of eliminating irrationalities regarding prices, accepting the necessity of increasing the prices of some goods to stimulate production, especially those not requiring subsidies, and immediately calculating all production expenses and production costs. Of course, those production costs must be within society's buying power and not undergo excessively great sudden changes.

The assault activities of the Youth Union organizations in socialist, state, and cooperative commerce are promoted in many different forms. The youth purchasing teams, which control the sources of goods, and the youth goods selling teams, which sell directly to the cadres and people in the organs and precincts are being further consolidated and developed. Many struggles and the good examples by Youth Union members and youths in enforcing price discipline and business discipline have been praised and held up for others to study.

Coordination among the Youth Union forces in administrative, economic, commercial, and production management, and in the precincts and markets, has begun to be strengthened. The results of the struggle to strengthen market and price management, to oppose price increasing and hoarding, and to uncover economic crimes and "black addresses," by Youth Union members and youths are very encouraging and have the confidence of the governmental echelons and the people. In the course of that movement thousands of price violations, hundreds of "black addresses", of the dishonest merchants, and dozens of instances of money hoarding and distorted propaganda have been uncovered and strictly dealt with, and millions of dong and tens of tons of goods have been confiscated.

However, study and review of the role of the Youth Union organization and the assault role of Youth Union members in Ho Chi Minh City who participated in market management and price management during the recent period have not been truly strong and are not yet truly worthy of the assault role and desires of many people. The movement has breadth but does not yet have sufficient depth and endurance. Coordination in action between the Youth Union and the relevant sectors in market management is not yet tight and complete, and is still weak even within the Youth Union organizations in the socialist commerce sector. A considerable number of Youth Union members and youths in the sector have slipped out goods to the merchants. The undisciplined raising of prices by a number of state stores and cooperatives has made the people very dissatisfied, but we seldom hear any notable reaction from the Youth Union member and youths in those stores. The Youth Union members and youths in the precincts, with more than 300 assault Youth units managing the markets and 50 to 60 youth Union chapters and Assault youth in the markets have not rapidly extinguished and incite hoarding and price increasing, and have not uncovered all of the secret warehouses and "black addresses" of speculators, hoarders, and people who hide merchandise. The phenomena of small industry and handicraft installations helping slip out products, materials raw materials, and producing poor-quality products to sell on the free market have not been promptly eliminated.

Living in Ho Chi Minh City and being affected daily by the negative changes in market prices, we have paid much attention to the Youth Union's assault activities in that sphere, and affirm that the Youth Union's activities are timely, creative, and effective. The limitations of those activities are that they are not yet sufficiently strong and that their concentration in the important areas have not yet received attention or been resolutely carried out. In order to heighten the role of the Youth Union in participating in market and price management in such a way as to attain maximum effectiveness, we believe that it is necessary to concentrate forces on the following principal areas and directions:

Strengthening the Youth Union organizations among the socialist commercial forces, continuing to promote the civilized commerce movement, setting up additional teams and units to purchase goods at the source and control the sources of goods and improving the quality of those teams and units, extending the activities of the goods selling teams to the organs and precincts, especially the selling of essential goods, and limiting hoarding by the saboteurs.

Although supply prices, one of the most heavily subsidized form of prices, has been eliminated, there are still many prices in the commercial sector which are lower than those on the free market, at a time when our production cannot yet meet the needs of society, so thee still exists the situation of state goods falling into the hands of the private merchants by their hiring people to buy goods for them. The assigning of income norms to each stall and sales clerk is correct, but if education and management are not good large quantities of goods still may be purchased by hoarders. Income from sales will be high, but the quantity of goods sold to the people will in fact decline. Therefore, the movement to create model youth stores and stalls, and the creation of a civilized work style in commerce, are still very essential and will never become outmoded, for they contribute importantly to stabilizing prices and the market.

The youth purchasing units responsible for controlling the sources of goods must struggle resolutely against the phenomena of competition in buying and selling, the purchasing of goods via intermediaries, and failure to observe discipline with regard to prices set by the state.

The Youth Union organizations, Youth Union members, and youths in the cooperative stores must manifest an exemplary spirit in opposing all manifestations of doing business by only pursuing income, raising prices, and rounding off prices, which give private merchants an excuse for freely raising prices .

At the markets, prices vary greatly day by day and even hour by hour. The youth union organizations in the market areas must build up and develop even stronger forces. Coordination among the Assault Youth units, the market management forces, the taxation and financial forces, and the public security forces is indispensable in order to uncover, and promptly and resolutely deal with, price increasing, underweighing, undermeasuring, or undercounting, do a good job of organizing propaganda radio broadcasting, and continually oppose the distorted arguments of saboteurs, trouble-markers, change hoarders, and merchandise hoarders.

It is very necessary to firmly grasp price changes at the markets. The good experiences in grasping market prices in Precinct 3 must be widely disseminated. Those experiences include an agreement regarding market price investigation among the Youth Union's cadre affairs department, the market management forces, and the women who purchase food for day-care centers and nursery schools in 20 subprecincts in the precinct. The women who buy food for the day-care centers and nursery schools must go to the markets practically every day. Therefore, when prices rise or fall at the markets the women immediately take note and promptly report to the market management forces, so that they can investigate and act in a very timely manner. Furthermore, the Youth Union's cadre affairs department and the market management forces are responsible, when necessary, for helping those women buy fresh food for the children. That method may be expanded to the workers of the collective kitchens of the organs, enterprises, and schools in order to set up price security zones managed by the Youth Union.

Continuing to launch and promote a movement to uncover and map "black addresses." The Assault Youth forces will serve as the hard core, but it is necessary to rely on the large numbers of Youth Union members to obtain information in many places, all the way down to the subprecincts, especially in the main markets, the bus and train stations, etc.

The movement to uncover and deal with the "black addresses" has terrified the dishonest merchants and bankrupted to a considerable extent their strategy of buying up the various kinds of valuable goods and important raw materials and dispersing them in many dispersed warehouses. During the 4 peak days after the money exchange alone the Youth Union members, along with the masses, uncovered 300 merchants who were harboring contraband valued at millions of dong. In many subwards, such as Subward 1 in Precinct 5, Subward 1 in Precinct 6, Subward 17 in Precinct 10, and a number of subprecincts in Go Vap District, Precinct 3, Precinct 8, and Tan Binh and Nha Be districts, youths found out about in advance, made a detailed diagram, and firmly grasped the operational laws of the "black addresses," so when ordered to carry out inspections they acted simultaneously. As a result, the accuracy rate was 80 to 90 percent.

In brief, everything was aimed at the goals of good market management, price stabilization, etc., which demanded close coordination of the activities of all four forces, including the Youth Union members in the socialist commercial apparatus (including those in the communications and transportation sector, the cargo handling forces, and small merchants) the Youth Union members in the industrial, small industry, handicraft, and agricultural production sectors, the Youth Union members in the subprecincts, and the Youth Union members in units responsible for economic management and administrative (market management, the economic police, tax personnel, and Youth Union organizations at the basic level). That coordination of activities must be based on specific contracts and agreements, there must be unified and realistic plans, and the participating parties must strictly carry them out.

5616
CSO: 4209/444

HANOI YOUTHS OPERATE COAL MINING ENTERPRISE

Hanoi THANH NIEN in Vietnamese Nov-Dec 85 pp 11-13

[Article: "A Youth Coal Mining Enterprise"]

[Text] In the economic sphere, during the past several years the Youth Union organizations in many localities have used Assault Youth forces. In Hanoi, for nearly a year now the Municipal Youth Union chapter has mobilized them to pick out coal in the mine dumps of the Quang Ninh mining area, in order to meet part of the municipality's cooking fuel and for export.

At the end of 1984 the coal mining corporation of the people's committee encountered considerable difficulties in its operations there. Its management apparatus was not dynamic, there was a lack of enthusiasm, labor discipline was lax, and its productivity was low--on the average each person produced only 50 kilograms a day--so it operated at a loss. Its income was insufficient to ensure the reproduction of labor of the workers. The annual coal output amounted to only a few thousand tons, while the municipality's needs were three times greater.

Could youths overcome that problem? The secretary of the Municipal Party Committee posed that question to the municipal Youth Union chapter. It was not easy to answer that question. But it had to be answered, and could not be answered simply "no."

With a serious attitude and a strong sense of responsibility, the standing committee of the municipal Youth Union chapter sent someone the site to carry out an investigation, made careful calculations, and concluded that the capital's youths could obtain 5,000 to 6,000 tons of coal for the municipality. It only made the following recommendations to the municipal party committee and people's committee:

1. That the Youth Union be allowed to organize young workers in the form of Assault Youth.

2. That the Youth Union take over the entire existing coal mining corporation and rename it a "youth" corporation.

3. That it be lent initial capital and that the People's Committee approve a number of essential allowances for the workers.

The Municipal Party Committee and the Municipal People's Committee approved all three requests and the Hanoi Youth Coal Mining Enterprise was formed.

The first Assault Youth units which went to the corporation to prepare to take it over often encountered sad stories every day: a shortage of mats, a shortage of blankets, a shortage of sleeping space, and even shortages of hand tools and medicine. The old corporation still did not want to turn everything over to the Youth Union. They wanted to be party A and the Assault Youths to be party B, which would sign a contract with them. Indecision caused the wasting of much time, there were two commands, and the effectiveness of management declined, which adversely affected the morale of the recently arrived workers and Assault Youth unit members. But with confidence in the new working method, the Assault Youth commanders were confident that the situation would soon be improved.

What in fact took place? After reviewing all aspects of the situation, the new board of directors held an enlarged meeting with the heads of production units and specialized units to discuss policies and select the best measures which the enterprise had to apply in 1985 to attain the norm of 6,000 tons of coal for export. The expanded board of directors conference indicated five problems, which could also be called five operational areas, which the enterprise had to concentrate on resolving. They included improving and increasing the effectiveness of coal production on the surface, and taking advantage of good weather to produce large amounts of coal to make up for the rainy days. Along with increasing mining productivity it was necessary to improve the youths' material and cultural lives. It was necessary to understand and immediately fulfill the materials economic, technical, capital, and other conditions in order to fulfill the 1985 plan. Relations between the youth enterprise and the mines and the areas in which troops were strengthened had to be renewed and strengthened in order to seek assistance from the localities when necessary. The enterprise's young management cadres also stressed the rapid stabilization of organization, including the organization of cadres directing the enterprise and the organization of the production line in order to create advantageous conditions for all unit members to endeavor to overfulfill the 1985 plan.

Due to space limitations, this article cannot enter deeply into all activities, but can only present a few examples.

What could be done to double or triple the labor productivity in comparison to workers in the past? What could be done to produce 6,000 tons of lump coal, not 2,000 tons, during the plan year? The board of directors set forth the common slogan, "Coal! To have coal is to have everything!" and the specific action slogans, "High productivity! A good way of life! Strict discipline!" The trying out and drafting of average and progressive norms were carried out openly at the site so that everyone could participate and observe. Once there rational norms the board of directors immediately implemented the contracting out of output to workers. It redistributed the production teams so that they could be appropriate to the production line and arranged for friends who got along well together to serve in the same time. The team were responsible for recording everyone's labor results every day and every months, and to make a chart categorizing people under A, B, or C classifications so that the board of directors could review accomplishments and make awards. People with high productivity received both cash and in-kind bonuses, while those who had low productivity and did not meet the norms were fined. The bonuses or fines were added to or subtracted from monthly salaries, and debts could not be carried over. Thus the organization of labor forces and reward were rational. The attitude of having confidence in norms in order to receive big bonuses quickly became widespread among the unit members engaged directly in production. However, in coal mining high or low productivity per person or per day also closely related to the management of the entire production line.

What had that management been like? It may be said that it had been lax. Because of the lack of an over-all commander responsible for all tasks on the surface, there often arose the situation of the cooks and rear services at the site only obeying the orders of the office, while the truck drivers only obeyed orders from the unit leader, although the head of the truck unit, and especially the comrade in charge of the office, were usually not present at the place of production.

The new enterprise board of directors created the position of over-all commanders of the work site for each production shift. The heads or deputy heads of the production offices were appointed as over-all commanders to represent the board of directors on the surface. Those comrades had the authority to command the production and truck units, drivers, rear services and protection personnel, and product quality control personnel during the production shift. Their centralized authority was very great, but their responsibility was also very great. By that method, the enterprise brought an end to the situation of the left hand not knowing what the right hand was doing in commanding production, and created good conditions for improving the management and coordination ability of the young cadres.

The leaders of the Youth Coal Enterprise always clearly realize the relationship between labor productivity and the good preparation of labor facilities and concern for the material lives and morale of the workers. Therefore, in addition to being concerned with improving the production and production command, the board of directors also paid much attention to supplying sufficient drinking water and noon resting places for youths working n the surface. Attention was paid to buying equipment and to improving the repair of trucks in order to transport unit members to the site on time and effectively. When the corporation was under its previous management there were insufficient water wells and bath houses in the workers' quarters. When returning after the shift they often had to wait 2 to 3 hours, and sometimes all afternoon, before being able to bathe and do their laundry. The new board of directors invested time and facilities to dig sufficient wells and build sufficient bath houses, so now after the shift is over, everyone can bathe and do their laundry within 30 minutes to an hour.

In the living quarters, within a short period after taking over the enterprise, it installed sufficient electric lighting, and bought sufficient beds, mosquito nets, buckets , wash basins, bowls and chopsticks, etc., for all unit members. During recent months the enterprise has installed sufficient loudspeakers in the recreation rooms, purchased a TV, set up a library of more than 1,000 books, organized soccer and volleyball teams, and promoted cultural activities. Now, after working hours, the unit members can select cultural or sports activities they like. It is easily understood that those activities have created enthusiasm to attain higher labor productivity in the future.

Perfection has not yet been attained in organizing production and improving material lives and morale at the Youth Coal Enterprise. But one could hardly demand more, because little capital has been invested and only a year has past. Even so, encouraging results have been attained. During the first 6 months of 1985 the average productivity of an Assault Youth unit member working on the surface was only 156 kilograms per workday, which was three times the average productivity of a worker when the corporation was under its old management and 30 kilograms more than the new norm assigned by the municipality (120 kilograms per workday). During the first 6 months of the year the enterprise attained an output of 3,300 tons of lump coal, which exceeded the plan by 10 percent, and in addition produced almost 2,000 tons of nut coal. During the last days of October the enterprise mined its 6,000th tons of lump coal and fulfilled 100 percent of its annual plan. By the time these words reach the reader, around the end of December, it is certain that the enterprise will have produced 2,000 additional tons, including nut and lump coal.

Thus although the number of workers did not increase very much, because it knew how to reorganize them, manage them, and cultivate and develop their self-enlightened spirit, the Youth Coal Enterprise increased output by five or six times in comparison to the old working methods.

At the 10th Plenum of the Youth Union Central Committee, when asked about the reasons for the initial results comrade Nguyen Van Ba, the enterprise's director, emphasized three points:

1. It was clearly confirmed that the economic unit managed by the Youth Union was a state economic unit which was included in the list of state enterprises. Enterprises managing youths are fully responsible toward them. For their part, youths have the right to demand that the enterprise distribute labor rationally and fairly.

2. The entire enterprise, from the director down to the workers, was organized as an assault youth unit doing economic work because the Assault Youth manifested beautiful heroism, won the hearts of the people in two resistance wars, and had the concern and encouragement of society. Because it was an Assault Youth unit it had a distinctive uniform that was suitable to the psychology of youths. It had its own rules so it was highly disciplined. When it was truly necessary it was possible to temporarily depart from the law of distribution according to labor but still maintain productivity.

3. A youth enterprise must truly be tied in with the guidance and moral support of the Youth Union, and must closely combine production with developing and steeling new youths.

Those are specific experiences. The common-lesson learned by the Hanoi Youth Coal Enterprise during the past year is we believe, is the correct selection of the pressing problems which the municipality needs to resolve. There must be determination to organize the young labor forces and bring them into play along the lines of combining labor with land, labor with natural resources, etc., in order to to enrich the Fatherland and benefit themselves.

In comparison to the total number of unemployed youths, the number of youths employed by the Hanoi Youth Coal Enterprise is very small, as is the quantity of coal they produce in comparison to the needs. but its significance is much greater. it may be said that the Hanoi Youth Union selected a correct path of advance and a correct working method, and therefore has contributed good experience to the economic activities of the Youth Union in general.

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PEOPLE LEAVE HANOI FOR NEW ECONOMIC ZONES

Hanoi NHAN DAN in Vietnamese 22 Mar 86 pp 1, 4

[Article by Van Lung: "Hanoi Bids Farewell to Those Going To Open Land"]

[Text] Before pulling out of the Hanoi station last night, the Thong Nhat train gave a long blast from its whistle. A young girl wearing a white blouse grasped the hand of a close friend standing on the station platform. It was time to say farewell.

The train was taking another 332 party members and members of the Ho Chi Minh Communist Youth Union from Gia Lam and Dong Anh districts and Son Tay City to Lam Dong to build a new economic zone. They will open roads, reclaim wasteland and build bridges and houses in order to welcome 1,000 families in the near future. Five thousand people from the rural districts of Hanoi will come to work the 17,800 hectares of land at Dam Ri in Da Hoai District, Lam Dong Province.

These young people, full of enthusiasm, have accepted very difficult tasks in order to clear a new zone and tell Lam Dong: "We people from Hanoi will contribute to building the town of Loc Phuoc in a very short time and at little cost. We will soon build a coffee zone at Dam Ri. There will be orchards and 5 and 7-ton rice fields as at Dan Phuong, Hoai Duc and Phuc Tho. Intensive cultivation will be carried on in the fields."

Hanoi is sending people to build new economic zones using a new method that reduces the sluggishness of the state subsidies period. The amount of work has doubled as compared with last year, but the ward and district economic committees have not requested additional personnel or higher wage funds. They have shared the work. Nguyen Dinh So, a crop growing engineer, was among the military group going to open land. He told the crowd who had come to see them off that "we are confident that there will soon be high-yielding crops in the new zones. We can do things ourselves so that we don't have to wait for money and rice from higher echelons." Khuat My, a soldier who fought against the Americans and puppets in the Central Highlands, is leaving Co Dong, his home, and returning to an area that he used to know very well in order to contribute to building the Dam Ri new economic zone. He said that "I know the land at Dam Ri. We can grow rich there. I will bring my family to this new zone."

Opening new roads is filled with difficulties, but people are not sitting about idly waiting for state subsidies. Instead they are calculating costs and labor productivity so that they can manage to survive after beginning to reclaim the land at Dam Ri. A new method that is both inexpensive and quick and that can soon bring practical economic results is to do work based on product contracts.

Nguyen Cong Tan, the vice chairman of the Municipal People's Committee, who came to say good-by to those leaving, said:

If we continue to do things as in past years, Hanoi will not be able to mobilize 16,000 people to go to new economic zones in 1986.

Going voluntarily, supporting yourself and believing that you can become wealthy in the new economic zones--this has been the model in the economic thinking of the party committee echelons and authorities from the city to the villages. The target is to quickly mobilize 200,000 people from Hanoi to go to remote areas and exploit the country's resources. Thus, each year, at least 40,000 people must be sent from the rural districts.

The problem is preparing the sites for the arrival of people. Da Hóai and Duc Trong in Lam Dong Province and northern mountain provinces all have land. These places all need laborers, and people from Hanoi are prepared to go. Rural Hanoi, which has a population of 1.4 million people, produces only enough agricultural products to meet the needs of the people on the spot and in the city. If 200,000 people are sent to these other areas, each year rural Hanoi will have tens of thousands of tons of grain to expand animal husbandry. And it will be able to supply urban Hanoi with 30,000 tons of pork a year. On the average, each person who leaves will leave behind 0.85 hectares of farmland. Those remaining are responsible for satisfying the initial needs of those who are leaving.

At the coming district party organization congress, the standing committee of the Dan Phuong District VCP Committee considers redistribution of the population as the leading task. The district is striving to stabilize the population at approximately 90,000 people, keep the population density at the present level of 1,268 people per square km, increase the average per capita farming area to 480 square meters and balance the grain needs. During the next 5 years, if Hanoi doesn't mobilize 200,000 people to move away, agriculture in rural Hanoi will be "self-sufficient" at only the individual village or district level.

The more than 300 people who left last night were the first of 16,000 people who will be sent in 1986. Almost 30 cadres subordinate to the new economic committees in the districts left with this group. That is a prerequisite for new thoughts and for creating a new labor structure during the process of rearranging the population sites in each district and at Dam Ri and Duc Trong. During the farewell ceremony, Hanoi received word that members of the district

VCP committee and people's committee in Da Hoai District have readied grain, tools, capital and building materials to welcome the people from Hanoi. Da Hoai is ready to welcome them with a feeling of "sharing a bowl of rice and building a house together." The initial preparations have been made, and things have gone smoothly. In the future, Hanoi and Da Hoai will grow even closer to each other. Both will grow richer and more beautiful.

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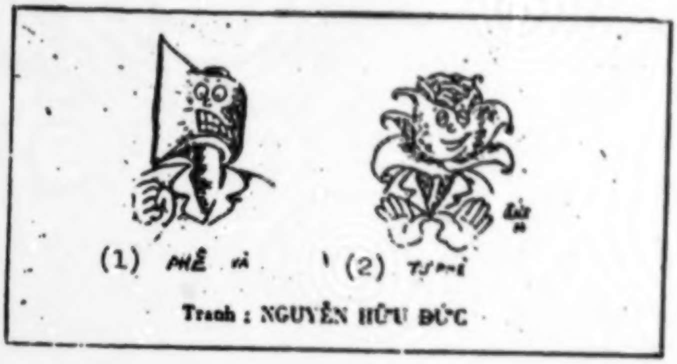
SHARP DICHOTOMY BETWEEN CRITICISM, SELF-CRITICISM LAMPOONED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 2 Apr 86 p 4

[Cartoon]



Tranh : NGUYỄN HỮU ĐỨC

Key:
1. Criticism and....
2. Self-criticism

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INFORMATION ON VIETNAMESE PERSONALITIES

[The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisked job title indicates that this is the first known press reference to this individual functioning in this capacity.]

Trần Quốc Bôi [TRAANF QUOOCS BOOI], Colonel, deceased

Born in 1926 at Phuong Diem Village, Tu Loc District, Hai Hung Province; former Political Officer of the Engineer School, 12th Corp [Binh Doan], retired; member of the CPV; he died on 31 Mar 86 at the 7th Military Hospital. (QUAN DOI NHAN DAN 6 Apr 86 p 4)

Nguyễn Thế Bôn [NGUYEENX THEES BOON], Lieutenant General

His article on quality of training in the military journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Nguyễn Kỳ Cẫm [NGUYEENX KYF CAAMR]

Member of the CPV Central Committee; Secretary of the CPV Committee, Nghe Tinh Province; his article "Building a cultural life in Nghe Tinh" appeared in the cited source. (VAN HOA NGHE THUAT Feb 86 No 4, p 2).

Đinh Quý Công [DINH QUYS COONG], Colonel

Deputy Commander of the Military Training Department; his name was mentioned in an article on military training in the cited course. (QUAN DOI NHAN DAN 30 Mar 86 p 1)

Pham Văn Cúc [PHAMJ VAWN CUCS], *Colonel

His article "The War of Local People in the Campaign of Counter-Attack" in the Military Journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Phương Kim Dung [PHUWOWNG KIM ZUNG]

Member of the Hanoi Municipal CPV Committee; Chairman of the Hanoi Vietnam-Kampuchia Friendship Association; on 15 Apr 86 he attended the opening ceremony of the Vietnam-Laos Friendship Branch in Ba Dinh District, Hanoi. (HANOI MOI 16 Apr 86 p 1)

Khuất Duy Đại [KHUAATS ZUY DAIJ], Colonel, deceased

Born in 1930 at Trach My Loc Village, Ba Vi District, Hanoi Municipality; member of the Technical General Department; member of the CPV; he died following an illness on 10 Apr 86 at the 108th Military Hospital. (QUAN DOI NHAN DAN 11 Apr 86 p 4)

Vũ Khắc Đua [VUX KHAWCS DUA], *Colonel

Commander of the S.1 Group; he was mentioned in an article about his unit in the cited source. (QUAN DOI NHAN DAN 1 Apr 86 p 2)

Vũ Khiêu [VUX KHIEEU]

Deputy Chairman of the State Social Science Commission; on 4 Apr 86 he signed a scientific cooperation agreement with a visiting delegation of the GDR Academy of Science for 1986-90. (HANOI MOI 10 Apr 86 p 1)

Mai Hữu Khuê [MAI HUWUX KHUEE]

Vice Minister of Higher and Vocational Education; his article "Firmly Grasp And Implement The Sector's Tasks To Create Progress For Vocational Schools" appeared in the cited source. (DAI HOC VA TRUNG HOC CHUYEN NGHIEP Oct, Nov, Dec 85 p 16).

Trần Kiên [TRAANF KIEEN]

Secretary of the CPV Central Committee; Chairman of the CPV Central Control Committee; on 20-29 Mar 86 he headed a delegation to visit the LDPR. (QUAN DOI NHAN DAN 31 Mar 86 p 1)

Nguyễn Hữu Quang [NGUYEENX HUWUX QUANG]

Vice Minister of Forestry; on 24-29 Mar 86 he met with an LPDR Vice Minister of Forestry in Hanoi to talk on economic and technical cooperation between the two countries. (QUAN DOI NHAN DAN 30 Mar 86 p 4)

Nguyễn Lỗ [NGUYEENX LOWX], Colonel, deceased

Born in 1930 at Tan Ninh Village, Quang Ninh district, Quang Binh Province; former Head of Propaganda and Training Office, Political Department of the B.79 Group; he died on 19 Mar 86 of an illness at 175 Military Hospital; (Ho Chi Minh City SAIGON GIAI PHONG 21 Mar 86 p 4).

Đào Đình Luyện [DAOF DINHF LUYEENJ], Lieutenant General

Commander-in-Chief of the Air Force; on 4 Apr 86 he attended an award ceremony of the Air Force. (QUAN DOI NHAN DAN 5 Apr 86 p 1)

Lê Xuân Lựu [LEE XUAAN LUWUJ], Lieutenant General

His article "Problems in Strengthening the Intelligent Abilities and Qualification for Tactical and Operation Commanders" in the Military Journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Nguyễn Vĩnh Nghiệp [NGUYEENX VINHX NGHIEEPJ]

Vice Chairman of the People's Committee, Ho Chi Minh City; on 28 Mar 86 he awarded a second class labor medal to a forestry enterprise at the congress commemorating the 10th anniversary of Ho Chi Minh City Assault Youth. (Ho Chi Minh City SAIGON GIAI PHONG 29 Mar 86 p 4).

Trần Nhẫn [TRAANF NHAANX], Major General

His article "Surprise in Air Attack and Counter Measures Against Air Attack" appeared in the cited source. (QUAN DOI NHAN DAN 6 Apr 86 p 2)

Nguyễn Tiến Phát [NGUYEENX TIEENS PHATS], *Colonel

His article on the defense and counter measures against chemical weapon in local people's war in the Military Journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Phạm Khắc Quảng [PHAMJ KHAWCS QUANGR], Professor

Chairman of the Fatherland Front Committee, Hanoi; on 12 Apr 86 he attended a meeting organized by the Vietnam Education Trade-Union and the Hanoi Education Trade-Union. (HANOI MOI 16 Apr 86 p 1)

Nguyễn Văn Rinh [NGUYEENX VAWN RINH], Colonel

*Commander of the Vinh Quang Group, H Group; he was mentioned in an article about his unit in the cited source. (QUAN DOI NHAN DAN 2 Apr 86 p 4)

Triệu Minh Tân [TRIEEUJ MINH TAAN], *Colonel

His article "T Group Participates in Economic Construction in Northern Border Provinces: in the Military Journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Hoàng Văn Thái [HOANGF VAWN THAIS], Senior General

Recently he spoke at a meeting held to review training results of military schools and institutes. (QUAN DOI NHAN DAN 3 Apr 86 p 1)

Hoàng Đình Thanh [HOANGF DINHF THANH], *Colonel

Deputy Commander and Chief of Staff of the Vinh Quang Group; he was mentioned in an article about his unit in the cited source. (QUAN DOI NHAN DAN 2 Apr 86 p 1)

Nguyễn Ngọc Thảo [NGUYEENX NGOCJ THAOR], *Major General

His article "Successful Development and Victorious Completion of the Tasks of the Military Medical Branch" in the Military Journal TAP CHI QUAN DOI NHAN DAN Apr 86 was announced in the cited source. (QUAN DOI NHAN DAN 7 Apr 86 p 2)

Trịnh Đình Thảo [TRINJH DINHF THAOR], Lawyer, deceased

Born in 1901 in Ha Son Binh Province; Presidium member of the Central Committee of the Vietnam Fatherland Front; former Representative of the National Assembly, Sixth Legislature; former President of the Central Committee of the Vietnam Union of National, Democratic and Peace Forces; former Vice Chairman of the Advisory Council of the Provisional Revolutionary Government of the Republic of South Vietnam; he died of old age on 31 Mar 86 at the Thong Nhat Hospital, Ho Chi Minh City. (HANOI MOI 1 Apr 86 p 1)

Nguyễn Hữu Thu [NGUYEENX HUWUX THU], *Colonel

The Engineer Officer; he was mentioned in a column on military training in the cited source. (QUAN DOI NHAN DAN 3 Apr 86 p 2)

Nguyễn Thuận [NGUYEENX THUAANJ], Colonel

Deputy Chief of Staff of the Engineer Branch; he was mentioned in a column on military training in the cited source. (QUAN DOI NHAN DAN 3 Apr 86 p 2)

Phạm Văn Tiến [PHAMJ VAWN TIEENS], *Colonel

Commander of the 61st Unit, 11th Corp [Binh Doan]; he was mentioned in an article about his unit. (QUAN DOI NHAN DAN 7 Apr 86 p 3)

Phan Lương Trực [PHAN LUWOWNG TRUWCJ]

Commander, Tien Giang Province Military Organization; he was mentioned in an article on "the Tien Giang Party Organization Takes Good Care of its Armed Forces". (TAP CHI QUAN DOI NHAN DAN Feb 86 p 22)

[Note: He was previously reported to be a Colonel (QUAN DOI NHAN DAN 8 Sep 80 p 3)]

Trấn Vắn Tuấn [TRAANF VAWN TUAANS]

Member of the Hanoi Municipal CPV Committee; *Chairman of the Hanoi Vietnam-Laos Friendship Association; on 15 Apr 86 he attended the opening ceremony of the Vietnam-Laos Friendship Branch in Ba Dinh District, Hanoi. (HANOI MOI 16 Apr 86 p 1)

Phan Trọng Tuệ [PHAN TRONGJ TUEEJ]

Chairman of the Vietnam-Kampuchea Friendship Association; recently he sent a congratulatory message to the PRK on the occasion of its coming new year (13 Apr). (HANOI MOI 19 Apr 86 p 1)

Thanh Tùng [THANH TUNGF], *Colonel

A Deputy Chief of Engineers; he was mentioned in a column on military training in the cited source. (QUAN DOI NHAN DAN 3 Apr 86 p 2)

Đoàn Vắn Xe [DOANF VAWN XEE]

Vice Minister of Communications and Transportation; on 20-25 Mar 86 he met with PRK Vice Minister of Communications and Transportation in Hanoi to talk and sign a cooperation agreement for 1986. (QUAN DOI NHAN DAN 30 Mar 86 p 4)

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5 JUNE 1986

Southeast Asia Report

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AFP SUMS UP ASIAN REACTION TO CHERNOBYL ACCIDENT

HK130813 Hong Kong AFP in English 0748 GMT 13 May 86

[Report by Peter Mackler]

[Text] [No place-name as received] 13 May (AFP)--Several Asian nations are taking hard looks at their own atomic futures while keeping a close eye on fallout from last month's nuclear power-plant accident in the Soviet Union.

Taiwan has put off construction of its fourth nuclear plant for at least 2 years while Indonesian authorities pondered whether to go ahead with their first.

The 26 April disaster at Chernobyl probably dealt the coup de grace to the Philippines' only nuclear facility, a 2.1 billion dollar white elephant that had been kept closed because of cost problems and safety concerns.

"In the wake of the Chernobyl tragedy it seems impossible now to operate the plant, as a practical matter," said government spokesman Rene Saguisag.

The options under consideration are to mothball the U.S.-built plant on the Bataan Peninsula indefinitely, sell its equipment abroad, or convert it into a conventional power generating unit, Mr Saguisag said.

Chernobyl has forced India to reconsider an 8-year-old Soviet proposal to build an atomic power station using enriched uranium with light-water, graphite-moderated systems, reliable sources said.

Pressure was also mounting on other governments to burn their nuclear bridges.

The 4.5 million-member General Council of Trade Unions of Japan joined with Japanese pacifist groups on 30 April to urge that all nuclear power plants in the country suspend operations after the Chernobyl accident.

Anti-nuclear groups in Hong Kong launched a campaign to pull out of a joint venture with China to build a nuclear power plant 50 kilometers (30 miles) to the north of [the] bustling colony.

They planned to petition local officials Wednesday and start a signature campaign later this month to block the long-planned Daya Bay project, which would be China's first major atomic plant.

In Australia, which has a quarter of the world's known uranium reserves but no atomic power plants, concern over Chernobyl has prompted new calls for the closure of two small scientific nuclear reactors on Sydney's outskirts.

Australian Foreign Minister Bill Hayden called for the International Atomic Energy Agency in Vienna to impose emergency procedures in the case of accidents.

"Nations with nuclear reactors should have international legal obligations in these areas," he said.

South Australian Premier John Bannon also said his government would not allow any uranium to be exported to the Soviet Union because of the lack of adequate safeguards.

But some countries said that the Chernobyl drama would have no effect on their own nuclear programs.

While voicing concern, China said it intended to go ahead with Daya Bay as well as other units to be built near the eastern port city of Shanghai, home to some 12 million people. Peking did not even cancel plans to send a team to the Soviet Union to study nuclear cooperation.

A nuclear energy official said China was using a pressurised-water system to cool its reactors, which was safer than the graphite used at Chernobyl. "The accident caused no panic among Chinese experts," he said.

Authorities in South Korea came to the same conclusion after a radiation-protection committee within the Science and Technology Ministry carried out security checks on the nation's five nuclear reactors. The Energy and Resources Ministry said that despite the Soviet accident, South Korea would go ahead with the planned construction of two additional nuclear power plants.

Officials of Japan's Science and Technology Agency said they too saw no need to change their nuclear-power program since their reactors were different from the one at Chernobyl. Japan has 32 atomic power plants on stream.

In Jakarta, nuclear-energy officials were optimistic that a scheduled 3 June meeting of seven ministers and experts would approve their plans to build the country's first nuclear power plant at Serpong, West Java.

Indonesia is counting on nuclear power to provide a third of its electricity by 2005. Officials brushed aside suggestions by anti-nuclear groups that they opt for alternative sources of energy. "They recommend solar, wind, water of biomass. It's ridiculous," said Jali Ahimsa, director of the Indonesian Atomic Agency. "If you want to industrialise Java, with a population of more than 100 million, you need a huge quantity of energy that you can only get with coal and nuclear."

Asians were still nervous, however, about radioactive fallout from the Chernobyl accident. Reports last week that radioactive iodine had been found in domestically produced milk sent shock waves through Japan. Its nuclear pollution detection posts are on full alert and its meteorological agency says it is swamped daily with questions about local levels of radioactivity.

Any arrivals from the Soviet Union are carefully checked at Japanese airports.

Singapore's Environment Ministry said that it was regularly collecting and testing dust samples, but there had been no abnormal readings so far. "All meat, milk and other farm produce, such as fruits and vegetables, imported from Eastern and Western European countries will be tested for radioactive contaminants before they are allowed for sale to the public," the ministry said.

Malaysian health officials have also been monitoring the environment and checking food imports. They said that all ships from the Soviet Union and other countries affected by Chernobyl fallout would be closely inspected when they docked at Malaysian ports.

/9604
CSO: 4200/1062

BRIEFS

AUSTRALIA: NUCLEAR-FREE TREATY--Australia's foreign affairs minister, Mr Hayden, has predicted that enough countries will formally endorse the South Pacific nuclear-free zone treaty for it to be registered with the United Nations. Speaking in the Tongan capital, Nuku'alofa, Mr Hayden said eight countries would have to formally endorse the treaty for this to happen. So far, nine countries have signed the treaty: Australia, Papua New Guinea, Cook Islands, Fiji, New Zealand, Kiribati, Niue, Tuvalu, and Western Samao. However, only three have formally endorsed it: Fiji, Cook Islands, and Niue. Vanuatu has said it will not endorse the treaty because its conditions are not strong enough. This leaves Nauru, Solomon Islands, and Tonga still in doubt out of the 13 South Pacific Forum countries. Mr Hayden said Tonga's foreign and defense minister, Prince Tupouto'a had expressed concern about some aspects of the treaty during talks today. However, he would not give details of what the Tongan minister had said. Mr Hayden is on a 2-day official visit to Tonga, the (?last) stop on his 2-week tour of the South Pacific. [Text] [Melbourne Overseas Service in English 0830 GMT 19 May 86 BK] /6662

CSO: 5200/4320

BRIEFS

ENVOY TO AUSTRALIA--Brunei High Commissioner to Australia Dato Haji Abdullah bin Haji Mohamed Jaafar presented his credentials to Australian Governor General Sir Ninian Stephen in Canberra in April. [Summary] [Kuala Belait THE BORNEO BULLETIN in English 3 May 86 p 4] /9604

BURKINA FASO MINISTER VISITS--Brunei and Burkina Faso can work together to promote peace, national order and economic cooperation among nations, Brunei Foreign Affairs Minister Prince Muda Mohammed Bolkiah said this week. He was speaking at a dinner in honour of the external affairs minister from the West African nation, Mr Basile Laetare Guissou, who ended a 2-day visit to Brunei on Tuesday. [Excerpt] [Kuala Belait THE BORNEO BULLETIN in English 26 Apr 86] /9604

CSO: 4200/1061

TROOPS REPORTEDLY OVERRUN KARENNI PROGRESSIVE CAMP

BK190804 Hong Kong AFP in English 0718 GMT 19 May 86

[Text] Rangoon, 19 May (AFP) -- Burmese forces have overrun the headquarters of the rebel Karenni Progressive Party, which also housed branches of other rebel groups and served as a contact point with foreigners, press reports said here.

Troops overran and destroyed the camp at Hwayponlaung in Shadaw township, Kayah state near the Thai-Burmese border April 12, according to a two-part article published in the state-run Burmese language newspapers THE MIRROR [KYEMON] and THE WORKING PEOPLES DAILY [LOKTHA PYEITHU NEZIN] Sunday and Monday.

The fall of the camp, which acted as a rebel toll point and armory and also housed Kachin and Pa-o rebel groups, was a major blow to both Karenni and Karen rebels, the article said.

Troops seized ten weapons, 5,000 rounds of ammunition, two walkie-talkies, a jeep, 1,090 pounds (495 kilos) of marijuana and 100 tons timber at the camp.

Two government troops were killed and two wounded, and several rebels were killed or wounded, the report said, but gave no detailed figures for the rebel losses.

The camp, which contained 138 tin-roofed buildings and 75 huts also acted as a contact point with foreigners, the report added.

Rebels who fled across the border after the Burmese troop attack included five white foreigners who had been there since 1984 conducting a medical training course, according to the article.

Two white pressmen identified as "Lloyd" and "Andrew" and said to be brothers had helped bring 100 M-16 rifles to the camp in March 1985, the report said.

In September, rebels had invited another journalist, Terence White, to publicise their cause for a separate independent state and had shown him 85 recruits graduating from a military training course, the report quoted captured documents as saying.

A separate press report Monday said that Christian Karen and Burmese communist rebels had forged a temporary alliance to engage in drug trafficking in the "Golden Triangle."

/12929
CSO: 4200/1039

VOPB REPORTS RESISTANCE GROUPS' ATTACKS

BK181334 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT 18 May 86

["Combat News"]

[Text] On 12 March 1986, an ambush by a small unit of the People's Army on the unit of the military government's mercenary 1st Chin Rifles Regiment in Mong Yawng region resulted in seven enemy soldiers being killed and four others wounded. The People's Army captured 4 G-2's, 2 G-4's, 1 carbine, 5 grenades, 2 2-inch mortar shells, and over 560 rounds of assorted ammunition.

On 25 March an attack by a People's Army unit on a troop of enemy soldiers from the mercenary 33d Infantry Regiment at (Lon Pan Kwin), south of Tangyan, resulted in one enemy soldier and one militiaman and wounded three soldiers and four militiamen. Captured from the enemy in this battle were 1 M-79, 17 rounds of M-79 shells, 1 carbine, more than 100 rounds of assorted ammunition, 3 50-mm shells, 4 grenades, and other military supplies.

Combat news of the combined force of the People's Army and the Shan State Army [SSA??1]5ZT 1300 on 25 April, a combined unit of the People's Army and the SSA attacked a company of the mercenary 67th Infantry Regiment at Xkhsan Lin village, Maw Hpa region in (?Mong Long). The attack killed 4 enemy soldiers and wounded more than 30 others and forced the enemy to flee in disarray. According to incomplete reports, 1 G-3, 2 sten guns, over 300 rounds of assorted ammunition, (?11) 2-inch mortar shells, and other military supplies were captured.

Combat news of the combined standing army of the National Democratic Front [NDF] and the Karen National Liberation Army [KNLA]: On (?23) December, a unit from the combined standing army of the NDP and a KNLA unit clashed fiercely with the military government mercenary troops at (Man Ye-Boktalo). Two enemy soldiers were killed and four others were wounded in the battle. Captured from the enemy were 2 G-3s, [words indistinct], 20 magazines, and other military supplies.

At 0745 on 26 December, the enemy troops were again attacked, and the engagement killed two enemy soldiers, including a mercenary sublieutenant, and wounded three others. One pistol, 30 rounds of pistol bullets, 1 G-3, 300 rounds of G-3 ammunition, 7 magazines, 15 60-mm shells, 1 sten magazine, and other military supplies were captured.

At 1210 on the same day, an ambush against the enemy soldiers at 22-mile camp resulted in 2 enemy soldiers being killed and 44 others, including the column commander and a platoon commander, being wounded.

It was learned that 1 carbine, 40 rounds of carbine ammunition, 20 M-79 shells, 3 81-mm mortar shells, 4 M9-A1 [as heard] shells, 87 rounds of G-3 ammunition, 2 magazines, and other military supplies were captured.

Combat news from southern combat zone of the NDF: On 2 April 1986, NDF units using small and heavy weapons attacked the regimental headquarters of the mercenary 62d Infantry Regiment in Ye. Several enemy soldiers were killed or wounded. In addition, four mercenary policemen, including a police station commander, and three defense militiamen in the town were killed and many others were wounded. While the battle was in progress in Ye Town, mercenary soldiers advancing from (?Kyaikmaraw) were ambushed. The attack killed four enemy soldiers and killed four others.

/12929
CSO: 4211/51

MELBOURNE INTERVIEWS DEPUTY PRIME MINISTER

BK151021 Melbourne Overseas Service in English 0810 GMT 15 May 86

[From the "International Report" moderated by (Gabriel Lafitt)]

[Text] One of the most dramatic and important developments in the political life of Fiji over recent months has been the emergence of the Fiji Labor Party. The party was formed last year after a dispute between the powerful Trade Union Congress and the ruling Alliance Party of Ratu Sir Kamisese Mara and has had some dramatic successes in local government and city council elections.

Previously Fiji had operated as a virtual 2-party state -- the Alliance Party and the Indian-dominated National Federation Party [NFP]. The deputy prime minister of Fiji, Mosese Qionibavari, has been in Australia this week for a commonwealth study conference. He told our reporter (Andrea McLoughlan) that the formation of a Labor Party in his country had been inevitable but that much of its support had come from voters and members dissatisfied with the performance of the NFP. Now, he says, the Federation Party is fighting back.

[Begin recording] [Qionibavari] The Labor Party, I am sure would have been formed sooner or later. We have a very active trade union movement. It has close links with Australia and New Zealand, and I think that the formation of a labor Party was bound to come in any case. It had been formed earlier than was to have happened because of the wage policies that we had adopted from last year. And they have tried to use the political forum of a Labor Party in opposition to the government's wage policies.

[McLoughlan] The Labor Party has had some pretty spectacular successes in its short lifetime. How much of an electoral threat is it?

[Qionibavari] It had successes in the urban areas for local government elections which is understandable because their base are the working people in the urban areas. In addition to that they have had successes because of the disarray in the opposition party, disenchantment among some of the supporters of the NFP who have now seen the Labor Party as a possible alternative for their political movement. So that has been the reason in my view for what appeared to be spectacular successes. Firstly, because they have started in the urban areas where the traditional support of the trade union movement exists. In addition, the fact that the NFP had been very much in disarray, and some of the disgruntled members have moved to the Labor Party.

[McLoughlan] Do you predict their support will drop off after this initial success?

[Qionibavari] The main factor that would determine the future success or otherwise of the Labor Party is how strong the opposition or how well they would be able to recoup their position. They have now just appointed a new leader of the opposition; Mr Koya has stepped down, and it will depend on whether the new leader and the new group they are trying to recoup the image and the position of the NFP as to whether labor would be successful in the future. [sentence as hears] [end recording]

/12929
CSO: 4200/1037

LABOR PARTY THREAT TO TWO-PARTY SYSTEM

Kuala Lumpur BUSINESS TIMES in English 25 Apr 86 p 20

[Article by Francis Daniel]

[Text] **The party, born only last July, has burst on to the political scene with an unprecedented call for breaking down traditional political barriers between the country's two major races — Fijians and Indians.**

A NEW political party backed by Fiji's powerful labour movement is mounting a serious challenge to the government of Prime Minister Ratu Sir Kamisese Mara which has ruled the South Pacific state since independence 15 years ago.

The Labour Party, born only last July, has burst on to the political scene with an unprecedented call for breaking down traditional political barriers between the country's two major races — Fijians and Indians.

"I must admit the Labour Party did emerge rather suddenly and established parties were caught unawares," Deputy Prime Minister Ratu David Toganivalu said.

"A lot of people have been persuaded initially by new ideas but this will not last long."

Mr Toganivalu, who is also Fijian Affairs Minister, predicted that the new party, which has drawn its strength from union strongholds in urban areas, would soon face a dilemma in a country where politics is constitutionally structured along racial lines.

The ruling Alliance Party is Fijian-dominated while its main opposition has come until now from the Indian-based National Federation Party (NFP).

The Fijians are slightly outnumbered by Indians who make up 51 per cent of the total population of 700,000.

The government has dismissed the Labour Party's claim to be the state's only multi-racial political force. It says the new party's support is mainly from Indians disenchanted with the NFP, which is facing leadership problems and internal dissension.

General elections due in the middle of next year could lead to the collapse of the NFP but the Labour Party would not be able to win massive Fijian support to oust the government, Mr Toganivalu said.

Labour Party president Timoci Bavadra disagreed.

"We will contest all parliament seats and hope to form the next government," he said.

"We want to arrest further racial polarisation and give a platform for people of all races and sections of the community."

However, Mr Bavadra added that his party would not seek any immediate change to the power-sharing arrangement between the Indians and Fijians provided under the constitution.

"It is a very sensitive matter. It will require a lot more time and consideration and a lot more racial integration. I do not feel any immediate need to change the constitution," he said.

The island nation's parliament has 52 elected members. Under the constitution, 44 of the seats are divided equally between the Fijians and Indians. The rest are open to minority races like Europeans and Chinese.

The Alliance Party, which has been in power since independence from Britain in 1970, holds 29 seats.

The NFP's strength has dwindled to 15 after half a dozen members quit to becomed independents following disagreements with 62-year-old party leader Siddiq Koya.

Disputes, public squabbling and faction fights have marked the NFP's stormy history and the divisions worsened after Mr Koya led the party to a disastrous by-election defeat in an Indian communal seat in May last year. The rival election candidate was put up by the NFP's youth wing which has openly demanded Mr Koya's resignation.

Mr Bavadra, a 52-year-old medical doctor who describes his party as democratic socialist, said the NFP was falling apart and large numbers of its followers were defecting to Labour.

His party made an impressive debut at city council elections in the capital five months ago when it won eight of 20 seats, wiping out the NFP which lost all 11 seats it contested.

The Labour Party is sponsored by the Fiji Trades Union Congress (FTUC) which withdrew support from the Mara government after an officially sanctioned wage freeze and the dismantling of a joint employers-union body, to set annual pay rises.

Mr Bavadra said the party is spreading fast in rural areas. "We're going into the country with our multi-racial, multi-cultural, multi-religious approach. We will prove our opponents wrong."

Mr Toganivalu is unperturbed. He said his party would be led by 66-year-old Mara at the next elections and it would be standing on an impressive economic record over the past 15 years.

The government has tabled a five-year development plan setting a target of five per cent annual economic growth compared to 1984's growth in real Gross Domestic Product (GDP) of 2.5 per cent.

The plan aims to cut the jobless rate from an estimated 10.2 per cent of the population to about seven per cent by creating more than 35,000 new jobs, mostly in agriculture, forestry and fishing.

Mr Toganivalu said the plan could not be matched by the Labour Party which had yet to come up with an alternative.

"They will soon learn that union power is not national political power," he added. — Reuter

/12828
CSO: 4200/1052

BORDER TRADE DISCUSSED WITH PNG OFFICIALS

BK100921 Jakarta MERDEKA in Indonesia 5 May 86 p 8

[Text] Jayapura, Sunday [4 May -- FBIS], ANTARA -- the Indonesian and Papua New Guinea Governments held a border liaison meeting in Jayapura on Friday to discuss bilateral trade relations and problems on the Indonesian-PNG border.

The Indonesian delegation to the meeting was headed by F.K.P. Poana, assistant to the Irian Jaya governor in charge of the third region. Members of the delegation included I Nyoman Sudha, Merauke regional secretary; Colonel Monang Siburian, staff member of the Maluku-Irian Jaya special executive officer; Police Lieutenant Colonel Saumar, staff member of the Irian Jaya police; and F. X. Sriyanto Sri Wardoyo, secretary of the Border Team.

The PNG delegation was led by Mataio Rabura, assistant secretary general for border affairs. Members of the delegation Were Ludwik Kambu, the Western Province police chief; Henry Movie, chief representative of the PNG Ministry of Foreign Affairs in Daru; Dominic Tari, officer in charge of provincial affairs; L. Sapien, border administration officer; and Joseph Asaigo, first secretary of the PNG Embassy in Jakarta.

Border Team Secretary General Suryanto Sri Wardoyo said after the meeting that the topics discussed covered among other things the PNG Government's desire to establish trade relations with Indonesia, particularly Daru and Merauke.

According to Suryanto, the PNG Government wants to establish trade relations with Indonesia, because the prices of Indonesian goods, particularly in Irian Jaya, are much lower than in other countries. The goods needed by PNG include fuel, ready-made garments, building materials, and other daily necessities.

/12929
CSO: 4213/142

SEABED BOUNDARY TALKS WITH AUSTRALIA POSTPONED

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A2

[Text] Canberra, Australia, 30 Apr (ANTARA/AFP)--Australian Foreign Affairs officials were informed late Tuesday that scheduled talks next month with Indonesia on delineating the seabed boundary between the two countries have been postponed.

The talks were to have been round-eight of the discussions on the seabed boundary of East Timor, the only section of the boundary still not agreed between the two countries.

The Indonesian embassy informed the foreign affairs officials and the Resources and Energy Department that the talks, scheduled to run from 6 May to 8 May, had been postponed.

A Resources and Energy spokesman said it was not clear whether the postponement of the talks related to the on-going row between Australia and Indonesia over the banning of Australian journalists from Indonesia.

The spokesman said it was hoped the talks would be rescheduled "in the near future."

/9274
CSO: 4200/1048

NEW ZEALAND VICE SPEAKER ON IMPROVING RELATIONS

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A7

[Text] Jakarta, 30 Apr (ANTARA)--New Zealand's Vice Speaker, John Terris, who leads New Zealand's visiting Parliamentary delegation to Indonesia at the invitation of the Indonesian Parliament, has said that the aim of his delegation's visit to Indonesia is to learn and to have a better understanding about Indonesia.

He made this statement at the dinner party given by Vice Speaker H. Kharis Suhud here Tuesday evening which was also attended by Vice Speakers H. Amir Murtono and H. Nuddin Lubis, Parliament Secretary General Wang Suwandi and the chairman of the interparliamentary cooperation body.

At present, John Terris said, the relations between the two countries have become closer, which should be stepped up further in future.

He was of the view that to strengthen and to step up cooperation in all fields, both countries should conduct exchanges of visits more frequently, not only at governmental level but at other levels as well.

John Terris said that he would be very glad to receive Indonesian youth who wanted to study in New Zealand, which could improve cooperation between both countries.

Indonesian Parliament Vice Speaker H. Kharis Suhud in his address said that the visit of the delegation was very welcome and that it was proper that the friendly relations between two neighbouring countries in the Southwest Pacific region should be further strengthened on the basis of peaceful coexistence, he said.

Kharis Suhud further said that several months ago New Zealand Prime Minister David Lange and several other ministers visited Indonesia. He hoped that the exchanges of visit would not be limited to government officials, but would also be conducted between members of both countries' Parliaments and the people of all walks of life.

He also gave a brief explanation on the history of Indonesia's independence struggle and on Indonesia's national development program.

/9274
CSO: 4200/1048

TECHNICAL COOPERATION AGREEMENT WITH FRG SIGNED

Jakarta ANTARA NEWS BULLETIN in English 27 Apr 86 p A5

[Text] Jakarta, 27 Apr (ANTARA)—Indonesia and West Germany have signed a technical cooperation agreement for the development of the Mahakam area, East Kalimantan.

The document of the cooperation agreement was signed in Tenggarong, East Kalimantan, Friday, by Director General for Regional Development Drs. Atar Sibero on behalf of the Indonesian Government and Secretary of the West German Embassy in Jakarta Dr Schehing.

The project to be handled under the newly signed cooperation agreement constitutes the continuation of the development of transmigration areas in East Kalimantan which has been undertaken under West German support.

The technical cooperation agreement just signed will cover the development of transmigration areas in the province in the 1986-1989 period.

The cooperation project to be handled in the 1986-1989 period will involve the realisation of the resettlement program, the expansion of job opportunities, the improvement of health facilities, the implementation of the family planning program and the development of the public works sector.

Apart from that, the development of transmigration areas in East Kalimantan under West German technical assistance also includes the development of the agricultural sector, which covers animal husbandry, fishery and plantation subsectors.

The director general for regional development stated on the occasion that technical cooperation with West Germany would help accelerate the development of the resettlement areas involved and improve the ability of the government apparatus in handling such projects.

/9274
CSO: 4200/1048

FRG CONSULTANT COMMENTS ON INVESTING IN INDONESIA

Jakarta ANTARA NEWS BULLETIN in English 29 Apr 86 pp A7, A8

[Text] Hamburg, 29 Apr (ANTARA)--Indonesia is a profitable place for foreign investors who are patient and work with a long term strategy.

"Indonesia is not a place where people waste their money rapidly," said West German consultant Herfried A. Kroll at a symposium on "Investment in Indonesia" held in Hannover, West Germany, in mid April under the sponsorship of ESCAP (The Economic and Social Cooperation for Asia and the Pacific), UNIDO (the United Nations International Development Organization) and the West German government.

Kroll who is being assisted to the Indonesian Investment Coordinating Board (BKPM) stated this before 60 West German businessmen who have not really known about the business situation in Indonesia.

"The say they want to make money in Indonesia rapidly," he said. [as published]

"That is not the way, they must be patient," he added.

To make sure his advice, he mentioned several companies which have operated for years in Indonesia and they keep on growing at present.

The consultant admitted that it is not easy to find a reliable business-partner in Indonesia, although BKPM, KADIN (the Indonesian Chamber of Commerce and Industry), EKONID (the German-Indonesia chamber of commerce and industry) and other institutions have offered their help.

It needs time and adaptation to find a suitable partner, according to Kroll.

He also reminded foreign businessmen to master to Indonesian language and know the Indonesian cultures and traditions in order to help smoothen their businesses.

During the symposium, a number of businessmen and consultants from West German economic institutions told the audience about their experiences of operating businesses in Indonesia.

Apart from complaints and shortcomings, in general they admitted that Indonesia is a business place which promises a bright future.

One of the speakers was Mrs Augusta Tjahjadi who explained about technical matters on investment.

/9274
CSO: 4200/1048

EAST EUROPE SAID INTERESTED IN BUYING NONOIL COMMODITIES

Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 pp A1, A2

[Text] Jakarta, 30 Apr (ANTARA)--The East European socialist countries and Austria which recently visited by delegates of the Indonesian Chamber of Commerce and Industry (KADIN) are interested to buy Indonesia's non-oil/bas commodities.

This was revealed by General Chairman of the Kadin Sukamdani Gitosardjono in his capacity as chairman of the Kadin delegation to those countries to the press here Monday.

He said that among Indonesia's commodities to be brought by the East European states are coffee, pepper, medicines, processed timbers, rubber, cocoa, palm-oil, textile and garments, canned food and beverages.

The 30-man Kadin delegation has visited Yugoslavia, Hungary, Bulgaria, Romania, Poland, Czechoslovakia and Austria.

During the tours they had talks with the ministers of finance and businessmen of the countries visited on possible various cooperations in the field of economy and trade, transfer of technology and enhancement of investment in Indonesia.

The East European socialist states are keen in buying Indonesia's products.

Sukamdani gave an example that Bulgaria wants to buy Indonesian made condoms worth US$30,000.

In a meeting with the Austria Chamber of Commerce the Indonesian delegation received an order of exporting cement and rice.

He said that rice bought from Indonesia would be further sold to the African states in bad need of food.

For this, an Austrian delegation will arrive here to further negotiate the deal with his Indonesian counterpart.

Many of the East Europe and Austrian businessmen want to invest their money in Indonesia, particularly in pharmaceutical industry, wood processing and essential oil industries, Sukamdani said.

A. Hakim Talib, secretary of the Kadin delegation meanwhile said that East Europe and Austria want to buy 95,000 tons of coffee from Indonesia each year.

He said that Yugoslavia is interested in buying 1,500 tons of coffee a year, next to Poland 30,000 tons, Austria 20,000 tons, Czechoslovakia 30,000 tons, Hungary 1,000 tons and Romania around 15,000 tons.

Indonesia's black pepper has also bright prospect. Those countries needs around 1,000 and 1,500 tons a year, while Austria needs 1,500 tons per year. [as published]

As for rubber, Bulgaria needs around 1,000 tons, while Czechoslovakia, Yugoslavia and Poland are expected to buy between 20,000 and 25,000 tons of rubber per annum.

The Indonesian Kadin delegation arrived back here last Sunday.

/9274
CSO: 4200/1048

BRIEFS

METHANOL PLANT ON TRIAL RUN--Balikpapan, 23 Apr (ANTARA)--A methanol plant south of Bunyu Island, some 500 m north of Samarinda, East Kalimantan, was completed in last February, and is now engaged in trial operations. The first plant of its kind in Indonesia, it was built since 1983 for a capacity to produce 1,000 tons of methanol from 40 million cubic feet of natural gas found in abundance on the island. A spokesman for the local Pertamina office meanwhile disclosed here that the plant is equipped with eight compressors for sucking the gas from dozens of gas wells. "We are waiting for orders from the industrialized countries such as Japan, South Korea and Taiwan, in addition to other ASEAN member countries," he said. "We will also face difficulties if we produce so soon and in too great a volume, because it is difficult to store the gas," he said. The methanol should be exported shortly after it is produced. [Text] [Jakarta ANTARA NEWS BULLETIN in English 24 Apr 86 p A] /9274

97 MILLION VOTERS EXPECTED--Jakarta, 23 Apr (ANTARA)--About 97 million people will have the right to vote in the coming general elections in 1987, an increase by around 15 million from the 1982 election. Deputy Secretary of the General Election Board (LPU) Drs P. Gunardo told the press at the Information Department here Wednesday that the electorate committee will launch the door-to-door registration operation throughout Indonesia from 1 May to 20 July. "Through this campaign, LPU will exactly know the number of voters for the coming election," he added. But according to preliminary estimation, the number of voters in the 1987 elections will stand to 97,043,532 of the total 161,738,813 people. Gunardo said that the government has allocated Rp. 132 billion fund for the elections, 84 of them will be provided for the regional electorate boards throughout the provinces. [Text] [Jakarta ANTARA NEWS BULLETIN in English 24 Apr 86 p A10] /9274

NATIONAL SHIPPING COMPANY PROFIT--Jakarta, 28 Apr (ANTARA)--Although nine of the 88 branch offices of Indonesia's oldest shipping company PT Pelni suffered a loss, its total income in 1985 amounting to more than Rp76 billion, shows a profit of Rp2.3 billion. Addressing the 34th anniversary of the company here Monday, Pelni's president director Sudharno Mustafa said while 18% of the net profits was gained by the branch offices, 42 of them suffered a total loss of Rp575 billion in 1982. In short, he added, compared to the situation in 1985, the heads of the branch offices, who had been called warlords, had proved their ability in the improvement and development of the shipping company. Speaking on the loss suffered by the nine branches in the same year, he said the heads of the branch offices cannot be held fully responsible because the setback was also the unfortunate result of the decreasing activities of the branch offices. Sudharno Mustafa, however, reminded that although things have improved, the employees should not take things too easy as further improvements must be made. [Text] [Jakarta ANTARA NEWS BULLETIN in English 28 Apr 86 p 3] /9274

SOVIET REACTOR SYSTEMS--Jakarta, 10 May (ANTARA) -- The Indonesian nuclear power generating programme (PLTN) has not been affected by the Soviet's Chernobyl nuclear reactor accident which took place on April 25-26. This was stated by Director General for the National Atomic Energy Agency (BATAN) Ir Djali Ahimas in a press conference here Friday. Ir Djali Ahimas said BATAN had never studied Soviet's nuclear technology because the latter was closed to outsiders. To outsiders, nuclear energy projects that are taken as reference by BATAN are those of West Germany, France, Italy, the United States, Canada and Japan. Djali pointed out that the Soviet nuclear technology system belonged to the old fashioned one as proved by its sensitivity to leakages. He said the Indonesian Government had not decided as to which nuclear technology system would be adopted as model but added however that Indonesia would not take the Soviet system as reference. [Text][Jakarta ANTARA in English 1611 GMT 9 May 86 BK]

SRI LANKAN FINANCE MINISTER--President Suharto received a courtesy call from Sri Lankan Finance and Planning Minister Ronnie del Mel in Jakarta this morning. The minister conveyed a letter from President Jayawardene to President Suharto. President Suharto renewed his invitation to President Jayawardene to visit Indonesia to return the head of state's own visit to Sri Lanka in 1979. Finance Minister Radius Prawiro, who accompanied the Sri Lankan guest, told newsmen that the Sri Lankan finance and planning minister is studying taxation systems suitable for developing countries during his 7-day stay in Indonesia. He has been briefed on tax reform in Indonesia. Indonesian officials and the Sri Lankan minister also discussed efforts to promote investments because Sri Lanka is making efforts to woo foreign investors. The Sri Lankan guest gave attention to efforts to promote tourism during his visit to Bali. According to Finance Minister Radius Prawiro, Indonesia and Sri Lanka have undertaken cooperation in the development of tea. Indonesia bought tea-processing equipment from Sri Lanka and sent its technicians there to deepen their knowledge about and skills in tea growing. Minister Radius said that the two countries are following up their cooperation in the development of the commodity. [Text] [Jakarta Domestic Service in Indonesian 1200 GMT 10 May 86 BK]

NEW PARTY LEADERS--In its capacity as the mandate holder in charge of forming the Central Executive Council of the Indonesian Democratic Party [PDI], the government has appointed Suryadi and Nicolaus Daryanto as chairman and secretary general of the party for the 1986-93 tenure. The appointment followed the party's failure to form its Central Executive Council during its recent congress of 15-18 April. The announcement of the PDI Central Executive Council lineup was attended by Home Affairs Minister Suparjo Rustam. [Summary][Jakarta KOMPAS in Indonesian 3 May 86 pp 1, 12 BK]

INVESTMENT IN IRIAN JAYA--Jayapura, 28 Apr (ANTARA)--Investment by firms operating under the foreign investment scheme (PMA) in Irian Jaya during 1985 reached the equivalent of Rp405,538,000 (US$1 = ± Rp 1,100), surpassing the set target of Rp 279,580,000. Data received by ANTARA from the Irian Jaya provincial trade office here Monday showed that 12 firms participated in the foreign investment scheme and that they had already obtained their license to operate, six in the fishery sector, two in the forestry and in mining, plantation and pearl cultivation one each. The number of workers employed by these firms amounts to 6,217 people, almost reaching the set target of 6,528 workers for 1985. [Text] [Jakarta ANTARA NEWS BULLETIN in English 28 Apr 86 p A8]
/9274

PRC BUYS INDONESIAN OIL--Hongkong, 28 Apr (ANTARA-Reuter)--China has brought 1.5 million barrels of crude oil from Indonesia eight months after ending an 18-year lapse in direct trade, a subsidiary of Indonesia's state oil company Pertamina said today. A spokesman of Pertamina marketing said China purchased about 15 million US dollars worth of crude, described as a "test cargo" which could pave the way for more transactions between the two countries. The sale will be to China's national oil and chemical import and export corporation in three shipments. The first of about 400,000 barrels was loaded last week and the rest will be shipped this month, the spokesman said. Indonesia, which froze diplomatic ties and direct trade with China in 1967 following an abortive communist coup, renewed commercial ties last August. [Text] [Jakarta ANTARA NEWS BULLETIN in English 29 Apr 86 p A7] /9274

FRG DEVELOPMENT GRANT--Padang, 29 Apr (ANTARA)--West Germany has agreed to provide an additional grant to a local government program in Pesaman Barat, West Sumatera which amounted to some 13 million Deutsche marks or about Rp. 6.5 billion. The agreement was signed here Monday respectively by the German Technical Company (Deutsche Gesellschaft fur Technische Zusammenarbeit-CZT) and the Indonesian ministry of home affairs. The DM 13 million grant will be used for the continuation of the third phase of the regional development programme. The fourth phase will include small-scale industry of development and family planning programme as well as a project on environmental development. Meanwhile, the previous third phase includes programme on management, regional development planning, food crops, fishermen's income, and cooperatives. The first three phases of the programme cost Rp. 19.5 billion covered by the West German donation. [Text] [Jakarta ANTARA NEWS BULLETIN in English 30 Apr 86 p A7] /9274

NEW NAVAL COMMANDERS--Armed Forces Commander General Murdani presided over a ceremony installing three new naval commanders in Surabaya on 3 May. They are Vice Admiral Mohamed Arifin as new commander of the Eastern Region Fleet, Rear Admiral Iman Taufiq as new commander of the Western Region Fleet, and Vice Admiral Herman Joseph Wagiman as new commander of the Navy Seaborne Command. [Summary] [Jakarta KOMPAS in Indonesian 5 May 86 p 12 BK]

EMBASSY IN ZIMBABWE--Indonesia will open an embassy in the Zimbabwe capital of Harare in the near future. Nana Sutresna, director general of political affairs of the Foreign Affairs Department, is making preparations for the opening. This was stated by Foreign Minister Mokhtar Kusumaatmaja to newsmen after calling on President Suharto at the latter's residence on Cendana Street today. The foreign minister reported to President Suharto on Indonesia's preparations for the upcoming nonaligned summit in the Zimbabwe capital in August. Meanwhile, an Indonesian envoy will visit several African countries to explain the incorporation of East Timor into Indonesian territory. According to Minister Mokhtar Kusumaatmaja, the explanation to the seven African countries are intended to help them to have a better understanding of the East Timor issue so that they can support Indonesia on the issue at the United Nations. He said that more countries are now supporting Indonesia on the East Timor issue. [Text] [Jakarta Domestic Service in Indonesia 1200 GMT 14 May 86 BK]

/12929
CSO: 4213/144

THIRD WORLD SCHOLARS, STATESMEN CRITICIZE WEST

BK081435 Kuala Lumpur BERNAMA in English 1406 GMT 8 May 86

[Text] Kuala Lumpur, 8 May (BERNAMA ES)--Third World scholars and statesmen today voiced deep concern over the unusual and disturbing economic woes facing the South and strongly criticized the West for causing some of the problems.

In a strongly-worded statement issued at the end of their four-day summit here, they said the persistent high real interest rates, volatile exchange rate, balance of payments deficits and growing protectionism had crippled the Third World economies.

Another major problem is the collapse in commodity prices, the severe effects of which extend beyond the highly commodity dependent low-income countries, they said. Furthermore, the sharp decline in inflows of private finance together with huge interest payments continue to result in large net outflows of resources from developing nations, they added.

"We are particularly concerned about the least developed countries. Even depressed sub-Saharan economies which are experiencing chronic food shortages and declining living standards face a steep decline in net resource transfers."

A further blow is the fall in oil prices, and the benefits to oil importers are more than offset by losses of oil exporters. They also said at a time when poor nations are making great efforts to adjust their economies, the rising reliance on the private provision of liquidity is proving to be unrealistic given the sharp decline in private commercial flows to poor nations.

National aid agencies and multilateral financial bodies are being increasingly used to influence the policies and priorities of poor nations in need of financial help. They also spoke of an evident retreat on many fronts from international cooperation.

"There is an increasing emphasis on notions of power, dominance and control. The South is faced with a profound challenge to its capacity for self-determination."

They also claimed that the climate for a genuine North-South dialogue remained unpropitious--it has even deteriorated.

Policies are being increasingly imposed on the South both nationally and internationally and the global process of dialogues is being eroded. They warned that the danger of many, if not most poor nations, having to succumb to the rising stresses on their economies is now real, if not imminent.

As such they could not afford to lose any time in embarking on a comprehensive process of self-assessment and of reappraisal with a view to ensuring that their destiny rests in their own hands and is not left at the mercy of events beyond their control.

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CSO: 4200/1022

PAPER REPORTS ON ECONOMIC TALKS BETWEEN ASEAN, U.S.

BK091803 Kuala Lumpur BERNAMA in English 1433 GMT 9 May 86

[Report by A. Karim Shukor]

[Text] Singapore, 9 May (OANA-BERNAMA)--ASEAN and the United States Friday agreed that there is a need for full application of the General Agreement on Trade and Tariff (GATT) discipline to trade in agriculture to reduce distortion.

This is also to allow trade in agriculture to better reflect comparative advantage and free market forces. This is stated in a joint press statement issued Friday evening after a 2-day ASEAN-U.S. dialogue here.

It added that the U.S. side recognised ASEAN's concern with the effects of depressed commodity prices, but observed that international commodity agreements generally had failed to stabilise prices or to serve the long-term interest of commodity producers.

The statement, however, said that the American side affirmed that it is continuing its participation in renegotiations of the international natural rubber agreement and in the international coffee agreement.

During the dialogue the ASEAN side urged all the developed countries to play a constructive role in promoting increased cooperation between producers and consumers to arrest the decline in commodity prices.

ASEAN also told the U.S. delegation the need for medium and long term policies on energy market stability and the determination of a fair price oil.

The U.S. side, however, said that low oil prices would, on the whole, benefit the world economy and felt that oil prices would be determined by market forces.

On ASEAN's concern with the proliferation of trade legislations pending in the U.S. Congress which is more of the protectionist policy, the U.S. side confirmed that the Reagan administration would continue to oppose the extension of the manufacturing clause.

The statement said that the U.S. side also affirmed that it favours active American direct private investment in ASEAN and indicated that a number of programmes were available for this purpose.

The U.S. side was encouraged by steps taken recently by the ASEAN governments to improve the regulatory and legal climate for foreign investment.

Both sides further noted that development cooperation had been gradually broadened in sectoral scope to cover various fields and human resources had been given new impetus under the dialogue.

The United States announced its plans to institute a human resources development project, planned at U.S.$18 million over the next several years, under which Washington will be able to fund several new development project proposals.

The United States also presented a proposal for establishment of a joint ASEAN-U.S. computerised data exchange which would support trade liberalization efforts between ASEAN and the United States whether in a multilateral or regional setting.

The statement said that ASEAN agreed to review the feasibility of any such undertaking at the June meeting of the ASEAN committee on trade and tourism.

During the dialogue they also agreed that close contacts be established between the private sector and the respective government agencies for the identification of new areas of cooperation as well as for the expeditious implementation of cooperative projects.

On the question of liberalising two-way trade between ASEAN and the United States through ASEAN-U.S. initiative, the U.S. side said that work on free trade agreement with Canada would preclude active negotiations with ASEAN for the time being.

/9604
CSO: 4200/1060

FINNISH TRADE MINISTER LAINE, DELEGATION BEGIN VISIT

Laine Meets With Rithauddeen

BK141514 Kuala Lumpur Domestic Service in Malay 1230 GMT 14 May 86

[Text] Finland is interested in setting up resources-based joint venture projects in Malaysia, especially in producing plywood from local timber. Foreign Minister Tengku Ahmad Rithauddeen said today that Finland, which has the new technology to produce the popular type of plywood, is even prepared to market the plywood for Malaysia. he was speaking to reporters after receiving visiting Finnish foreign trade minister, Mr Jermu Laine, at Wisma Putra [Ministry of Foreign Affairs] in Kuala Lumpur.

Tengku Rithauddeen said that Mr Laine had told him that a particular brand of plywood produced by Finland was very popular in certain countries. During the meeting, the two ministers also discussed potential areas of Finnish joint ventures in Malaysia. Tengku Rithauddeen said he suggested that Mr Laine look into setting up other projects utilizing Malaysian raw materials to cater for both local and regional markets.

Mr Laine also raised Finland's proposal to act as a depot for redistribution of Malaysian products to other Scandinavian countries.

Talks With Razaleigh

BK140705 Kuala Lumpur International Service in English 0600 GMT 14 May 86

[Text] The Ministry of Trade and Industry has approved application from assemblers of Japanese cars for a reduction in prices. The minister, Tengku Razaleigh Hamzah, disclosed that the approval was given a week ago. He was speaking to newsmen in Kuala Lumpur after meeting with Finnish Minister of Foreign Trade Mr Jermu Laine and his delegation. At the meeting he urged Finland to buy rubber and palm oil directly from Malaysia instead of going through third countries. He also called on Finland to invest more in this country, especially through joint ventures with Malaysian partners.

Tengku Razaleigh said that he and Mr Laine agreed on the need to increase trade between the two countries which amounted to 75 million ringgit or 0.11 percent of the total Malaysian trade. Among the Scandinavian countries, Finland ranks last as Malaysia's trading partner.

Talks On Oil Industry Prospects

BK150635 Kuala Lumpur BERNAMA in English 0524 GMT 15 May 86

[Text] Kuala Lumpur, 15 May (BERNAMA) -- A visiting Finnish trade delegation met top officials of the National Oil Corporation (Petronas) here Thursday morning with discussions being centered mostly on investment prospects in Malaysia's oil industry.

The team, led by Finnish Foreign Trade Minister Jermu Laine, was briefed on Petronas's role and future plans as well as opportunities available to foreign oil contractors and product suppliers.

Petronas President Abdullah Salleh, who gave the briefing, also invited Finnish oil-related firms to invest in Malaysia.

He told BERNAMA later that the visit had enabled Petronas to establish contacts with Finland. "So far, there has been little or no contact at all with them," he said.

He said Finland was keen to supply goods and services to Malaysia's oil industry.

Among the products listed out were steel pipes, electrical appliances, chemicals and engineering services.

/12929
CSO: 4200/1031

SECURITY FORCES KILL 4 COMMUNISTS IN PAHANG

BK151047 Kuala Lumpur BERNAMA in English 1016 GMT 15 May 86

[Text] Kuantan, 15 May (BERNAMA) -- Malaysian security forces shot dead four communist terrorists (CT), two of them women, and seized weapons including four carbines in Temerloh District in the northeastern Pahang State last Saturday [May 10].

Pahang Chief Minister Mohamed Najib Razak said Thursday one of the four CT' was the head of a communist armed working group operating actively in the Temerloh, Jerantut and Lipis Districts in the state. He had been identified as Ah Au Suk, 40, and was believed to have originally been from Batu Balai, Jerantut.

Najib, who is also state operations director, was however unable to provide more details of the other three CT's, except saying that they were in the 30-40 age group. He told a press conference here the CT's were killed in a clash between security forces and a five-member CT group, believed from the outlawed Communist Party of Malay's sixth assault unit, in the Lanchang forest area near Temerloh.

The chief minister said security forces carrying out an operation encountered the group at about 8:20 p.m. There was an exchange of fire for several minutes, ending with the killing of four CT's.

The fifth CT, believed to be a woman, managed to escape during the shooting. The security forces did not suffer any casualty.

Najib said the security forces recovered four carbines, 397 rounds of ammunition, 15 ammunition magazines, two booby traps, six detonators, two compasses, four hand grenades and other equipment. A hunt has been launched for the surviving CT.

The success is the second for the security forces this year, the first being in March when they shot dead a woman CT and seized an assortment of weapons including a carbine in the Lintang forest reserve in Bentong District. Najib said the killing of the four CT's was also the highest kill by security forces since 1979 when they shot dead eight CT's in Bentong District. He estimated there to be about 97 communist terrorists still active in Pahang.

/12929
CSO: 4200/1032

BRIEFS

TALKS WITH MAHATHIR--Sabah Chief Minister Datuk Joseph Pairin Kitingan has said Prime Minister Datuk Sri Dr Mahathir Mohamed did not respond negatively to his state government's proposal to amend the state constitution to compel assemblymen elected on the ticket of one party to vacate their seats [words indistinct]. He said he had discussed his Parti Bersatu Sabah [PBS] government [words indistinct] constitutional amendment with Datuk Sri Dr Mahathir in Kuala Lumpur in a frank and friendly atmosphere. He was speaking to reporters on his return to Kota Kinabalu from the federal capital. Datuk Pairin said he also called on new Deputy Prime Minister Ghafar Baba. He said that in his meeting with Mr Ghafar, he did not bring up the question of the PBS application to join the National Front. [Text] [Kuala Lumpur International Service in English 0300 GMT 13 May 86 BK]

FINANCE MINISTER'S PURCHASE OF BANK--Kuala Lumpur, 14 May (BERNAM)--Bank Negara (central bank) Governor Jaffar Hussein clarified Wednesday that the purchase of shares in United Malayan Banking Corporation (UMBC) by family-owned companies of Malaysian Finance Minister Daim Zainuddin was approved by the cabinet. He said Daim himself did not approve the transaction. "The minister was never at any stage involved in the process of approval which was done strictly in accordance with proper and established procedures," Jaffar said in a two-sentence statement. He said the statement was issued in response to recent press reports alleging the involvement of Daim in the transaction. The April 30 issue of ASIAN WALL STREET JOURNAL front paged a lengthy report on the UMBC deal. Daim acquired a 40.7 percent state in UMBC in 1984 through two family-owned companies from Multi-Purpose Holdings Ltd by exchanging his 51 percent interest in Malaysian French Bank Ltd plus 125 million ringgit (about U.S. $49 million) cash. [Text] [Kuala Lumpur BERNAMA in English 1340 GMT 14 may 86 BK]

ILLEGAL IMMIGRANTS ARRESTED--Kuching, Malaysia, 15 May (BERNAMA)--Sarawak marine police arrested 87 Indonesian illegal immigrants in an operation conducted from May 5 to 12. Sarawak Marine Police Chief Supt Abang Hussaini Abang Ikhwan told reporters in this capital of the east Malaysian Sarawak state Thursday the arrest was the biggest so far. During the whole of last year, marine police arrested 131 illegal immigrants, 97 from Indonesia and the rest from Thailand, in several operations. Supt Abang Hussaini said the arrest made this year involved the Kampung Buntal coastal area, Kampung Mersan, Kampung Silang and the Pantai Damai picnic area. He urged residents in the areas not to help illegal immigrants as this would later lead to various security and social problems. He said those sheltering illegal immigrants could be charged under the Immigration Act and be liable to a fine of not more than 2,000 ringgit (about U.S. $784) or imprisonment not more than six months or both. [Text] [Kuala Lumpur BERNAMA in English 1246 GMT 15 May 86 BK]

OFFICIALS DISMISS RADIATION FEAR--Kuala Lumpur, 15 May (OANA-BERNAMA)--The Soviet Embassy here assured Thursday that items exported from the USSR to Malaysia have not been exposed to radioactive contamination following the nuclear meltdown in Chernobyl. The Soviet authorities check all goods before they are exported, Soviet Embassy counsellor Victor V. Ivanor told a press conference. He said that Malaysia's imports were mainly machinery, fertilizers and medicine. He said the radiation effects from the nuclear accident at the Chernobyl plant had been blown out of proportion, causing concern to importers of Soviet products. In fact, he said, adverse reports on the incident had led many countries, especially those in northern Europe, into believing that the radiation had spread to other places. However, Ivanor said, the radiation leak was confined to the vicinity of the plant. On reports that radiation has been traced in other parts of the world such as Japan and the Philippines, Ivanor said it could have been due to the radioactive waste disseminated by nuclear installations in these countries. [Text] [Kuala Lumpur BERNAMA in English 1200 GMT 15 May 86 BK]

ZAINUDDIN MEETS MALI COUNTERPART--Malaysia will study the possibility of providing technical assistance to Mali in mineral exploration. This was disclosed today by the minister of finance, Mr Daim Zainuddin, after a meeting with his Mali counterpart, Mr Daikite, in Kuala Lumpur. Mr Daim told Radio Television Malaysia in an interview after the meeting that the Malaysian mining corporation could make a feasibility study by going to Mali for exploration on a joint venture. He feels the private sector can also look into the possibility of oil exploration in Mali. Mali is keen to buy Malaysia's palm oil, rubber, and manufactured goods. Mr Daim suggested that the facilities of the Islamic Development Bank could be utilized for two-way trade between Malaysia and Mali. Mr Daim later met the governor of the People's Bank of China, Madam Chen Muhua, who is on an official visit to Malaysia. The finance minister expects more trade between Malaysia and China following his recent visit to Beijing. He says China is keen to have joint ventures in the construction of ports, highways, and airports with Malaysia in the republic. [Text] [Kuala Lumpur International Service in English 0800 GMT 9 May 86 BK]

NO RADIATION ON SOVIET SHIPS--Kuala Lumpur, 18 May (OANA-BERNAMA)--No traces of radiation were found on two Soviet vessels which were quarantined at Port Kelang near here on Saturday for checks on radioactive contamination, port health chief Dr K. Dharmaratnam said Sunday. Inspection was carried out by a team of health officers on various samples taken from the vessels, he said. Dr Dharmaratnam said the skippers of the vessels had also produced the manifest to the health authority to show that they left the Soviet Union before the Chernobyl nuclear plant disaster. Meanwhile, the agent for the two ships--Yulena Syasova and K.V. Ushakov--Wah Soon Co. Ltd., said the vessels were laden with tiles. He said that there were no foodstuffs on the vessels. [Text] [Kuala Lumpur BERNAMA in English 0730 GMT 18 May 86] /9604

MALIAN TRADE MINISTER--Kuala Lumpur, 8 May (BERNAMA ES)--Malaysia hopes to establish trade ties with Mali not only to widen its export market but also as a base to penetrate the African market, Trade and Industry Minister Tengku Razaleigh Hamzah said today. Speaking to reporters after meeting the Mali Minister of Trade and Finance Mr Dianka Kaba Diakite at his office here, Tengku Razaleigh said economic cooperation between the two countries will also enable Malaysia to transfer its technology which can assist in Mali's development programmes. Mr Diakite is heading a 14-member trade mission from the African nation for a week-long visit to Malaysia. "Although at the moment both countries have yet to establish bilateral trade relations, the potentials are there," Tengku Razaleigh added. Mali with a population of 7.28 million is a member of West African Economic Community (ECOWAS) and can provide a base for Malaysia to break into the African market, he added. But Tengku Razaleigh said no bilateral trade has occurred between both countries so far mainly because of their geographical distance as well as the language barrier, as Malians speak French and not English as their foreign language. [Excerpt] [Kuala Lumpur BERNAMA in English 1310 GMT 8 May 86 BK] /12913

ENVOY BEGINS 5-DAY VISIT--Mr Ahmad Sharif Muhammad, a special representative of Libyan leader Colonel Mu'ammar al-Qadhdhafi, arrived in Kuala Lumpur today to begin a five day visit to Malaysia. Mr Ahmad Sharif, accompanied by a three man delegation, was met at the airport in Subang by Wisma Putera [Foreign Ministry] Undersecretary for West Asia and the Organization of Islamic Conference Wan Hussein Wan Mustafa and Secretary of the Libyan People's Bureau in Malaysia Mr (Ahmad Muhammad Fahmi). Mr Ahmad Sharif is scheduled to meet Foreign Minister Tengku Ahmad Rithauddeen on Monday and Prime Minister Datuk Sri Dr Mahathir Mohamed on Tuesday. He is also scheduled to visit Pulau Pinang before leaving for home on Thursday. [Text] [Kuala Lumpur Domestic Service in English 1130 GMT 10 May 86 BK] /12913

VIETNAMESE ILLEGAL IMMIGRANTS--About 8,000 Vietnamese illegal immigrants are still at the Bidong Island camp, off Kuala Terengganu in the east coast of peninsular Malaysia, awaiting resettlement. The monthly publication of the UN High Commissioner for Refugees also disclosed that about 2,000 refugees had been on the island for more than two years. It said that in 1985, Australia resettled over 2,000, Canada 939, and the united States 781. Although some 4,000 people were resettled abroad in 1985, the number of new arrivals was over 7,000 during the said period. [Summary] [Kuala Lumpur International Service in English 0800 GMT 7 May 86 BK] /12913

INDONESIAN ILLEGAL IMMIGRANTS--Johor Baharu, Malaysia, 8 May (BERNAMA)--Seven hundred and one Indonesia illegal immigrants were rounded up in a pre-dawn check on eight construction sites in this capital of the southern Johor State Thursday, a Home Ministry spokesman said. He said the four hour operation, involving 400 immigration and police personnel, started at 03:00 MST [Malaysian Standard Time]. The immigrants, including two children under 12 and 10 women, were taken to the Larkin police station where they were fed before being deported at 15:00 MST Thursday. The spokesman said the operation was carried out following information received from the public. He stressed that action would be taken against the employers if it was found they had harboured the immigrants or abetted in bringing them in. The spokesman said the immigration department would continue to detect and deport illegal immigrants in the country. The operation was the second of its kind this year. In April, the authorities arrested and deported 859 Indonesian illegal immigrants from five oil palm plantations in Rompin, Pahang. [Text] [Kuala Lumpur BERNAMA in English 1104 GMT 8 May 86 BK] /12913

JOINT PROJECTS WITH FINLAND--Following his meeting with the visiting Finnish minister of foreign trade in Kuala Lumpur 14 May, Works Minister Samy Vellu told newsmen that Finland has agreed to cooperate with Malaysia in the implementation of some of the projects under the Works Ministry. One of the projects which had been identified to seek Finnish assistance is the water supply scheme in the Federal Territory. [Summary] [Kuala Lumpur Domestic Service in English 1130 GMT 14 May 86] /9604

CSO: 4200/1060

EDITORIAL COMMENTS ON SHULTZ VISIT, OUTLOOK ON PROBLEMS

HK131018 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 10 May 86 p 4

[Editorial: "Message From Shultz"]

[Text] It is too early to determine whether the "cobwebs of doubts," to borrow from Vice President Laurel, surrounding RP-U.S. relations have been cleared with the visit of Secretary of State George Shultz.

But at the very latest, the alter ego of Ronald Reagan had gotten an earful from both the Aquino government and present and former supporters of former President Marcos. And Shultz, in turn, has not exactly been unstinting in his advice to both camps.

On the request for more aid, the rhetorics were aplenty, but the bottom line is that the Philippines, according to Shultz, should concentrate on clearing the roadblocks to full economic recovery, not on asking for more dollars from the U.S. The Congress, Shultz said, is threatening to make deep cuts in foreign aid; therefore, the Philippines cannot expect to get "new money."

As for the opposition, Shultz, according to former Labor Minister Blas Ople, "spoke strongly of the American point of view concerning the need to preserve stability in the Philippines and he put that very strongly in terms of the constructive role that the opposition can play at this time."

In other words, Shultz reminded his hosts that the task of rebuilding the country goes beyond asking for more dollars, and that it will be Filipinos themselves who will have to bear the yoke.

In short, there is a time for doing one's own homework, of sorting out priorities, before we can expect more than just those "sympathetic noises," to borrow from Economic Planning Minister Solita Monsod.

One cannot fault Shultz with double-talk. Some may even interpret his unsolicited advice as either meddling or a confirmation of how we have not really learned the true meaning of independence. But however one looks at it, there is indeed a crying need to attend to the country's pressing problems, to look beyond the issues or personalities which are now splitting people, exacerbating differences, and which, in the long run, only serve to dissipate precious time and effort.

/8309
CSO: 4200/1029

COLUMNIST ANALYZES IMPACT OF SHULTZ' REMARKS

HK141013 Manila THE NEWS HERALD in English 13 May 86 p 4

["Matter of Principle" column by Teddy Owen: "The Shultz Advice"]

[Excerpt] U.S. Secretary of State George Shultz' view that deposed President Marcos should be allowed to broadcast his political ideas to the Filipino people may be either misinterpreted or misunderstood by many of our countrymen. But the fact is the Shultz statement is basic to any American.

"Everyone can do this in the United States," he said, referring to the total freedom of the press and of speech in his country, something many Filipinos may find hard to understand even today.

To the rabid supporter of President Corazon C. Aquino, however, the Shultz statement may be, to say the least, incendiary and even derogatory. They may find it hard to believe that the man who had been deposed by a popular revolution in Metro Manila should still be permitted to make inflammatory statements to his followers. They would argue that the Marcos statements should be banned because they could destabilize the government. Finally, they would insist that under a "revolutionary government," the Aquino administration can ban all Marcos views from being heard or printed.

This could be the misunderstood part of the U.S. secretary's statement.

On the other hand, the rabid supporters of deposed President Marcos (and he still has many) would feel that by reading between the lines of the former President's statements, they see a light at the end of the tunnel--his return to the country and his resumption of office. They would feel that the President is egging them on to agitate and condemn the new government with the primary purpose of toppling eventually the Aquino government. They could also feel that the Shultz statement was made in support of Mr Marcos and his political views.

These would be a misinterpretation of the U.S. secretary's statement.

What should be clearly understood by the Filipino people is that while Shultz reaffirmed the U.S. Government's recognition of the Aquino administration, he was quietly informing the government that the road back to democracy would require a full restoration of a free society and all the basic rights that go with it. This includes even the political statements of deposed President Marcos.

If, again, President Aquino pledged to restore all the basic individual rights of the Filipino people under a Bill of Rights, then there should be no argument over the matter.

But the big question remains: If Proclamation No 3 abolished the 1973 Constitution, including the Batasang Pambansa and the office of the Prime Minister, and if the proclamation placed into the hands of one person all powers, how long would a Bill of Rights be enforced if the governing authority finds itself more and more pressed by deepening problems, compounded by increased criticisms through the media here and abroad?

President Aquino understands the American way of life and thinking. She not only studied in the U.S. for several years but also was in exile in that country with her husband, the late Senator Benigno S. Aquino Jr. for three years. In those years in the U.S. she must have gained a deep insight into American politics and freedom of the press.

In this country, she owes to a "strong alternative press" the support openly given her during the dying years of the Marcos regime. It was the "alternative press" that gave to the Filipino people all they wanted to know about her, all there was to know about her thoughts and what she hoped to do. Fortunately for all of us, she pledged to uphold press freedom and free speech.

But there are now voices among her supporters, voices which advise a backtracking of her earlier pledge of press freedom and freedom of expression. They are fearful of what could happen if press freedom remains untrammeled and free.

The recent sequestration of the "crony press"--the NEWS HERALD, the NEW DAILY EXPRESS and the MANILA BULLETIN--are signs of a possible change although Mrs Mary Concepcion Bautista of the commission on good government maintains that editorial policies will not be touched. Yet one cannot remove from the mind that sequestration in itself is a form of pressure brought to bear on the media. What if the sequestered newspaper continues to report negative stories which hurt the administration? Would there be a quiet warning, a subtle threat of some kind, perhaps in the form of an advice?

It is possible that Secretary Shultz was expressing a kindly thought to the new government of President Aquino and urging it to open wide its doors to a free exchange of ideas. This is what he could have meant when he said that even Mr Marcos should be allowed to make political statements from Hawaii to the Philippines.

Obviously, Shultz believes that in the long run, the ideas of Mrs Aquino would prevail over those of Mr Marcos to ensure the continuation of her government, which after all still has a great deal more credibility over that of Marcos despite some 'boners.'

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CSO: 4200/1029

AQUINO 'DISAPPOINTED' OVER UNAUTHORIZED ANNOUNCEMENTS

Quezon City ANG PAHAYAGANG MALAYA in English 17 Apr 86 pp 1, 6

[Article by Joel Paredes]

[Excerpt] President Aquino has been disappointed over the way some of her Cabinet ministers contradicted or interpreted her official policies just to satisfy their "political interest," Malacanang insiders said.

Highly-placed palace sources confirmed yesterday that Mrs Aquino was alarmed over recent announcements by her ministers on her purported "policies" which in turn were either contradictory or rejected by the President.

A case is that of Political Affairs Minister Antonio Cuenco who was reportedly "gently reminded" by the President for announcing the November polls, although it was the President's view that such an announcement was premature, they noted.

The President herself indicated in a television interview last week that if there was something the Cabinet officials would say "which will affect the national policy, then please let me know ahead of time so we can talk about it."

The President stressed that she had been reminding some members of her Cabinet who were "overzealous" to disclose their ideas.

"But I always reminded them that they should always remember that their statements should not violate the policies of our government," she said in the interview.

Malacanang observers also noted that Mrs Aquino had always been cautious over a possible rift between rival pro-administration United Nationalist Democratic Organization (Unido) and PDP-Laban.

Press reports said the rift between the two political parties was sparked by alleged "partisan" appointments of local officials by Local Governments Minister Aquilino Pimentel, a PDP-Laban stalwart.

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CSO: 4200/1064

DAVAO COLUMNIST ON GOVERNMENT'S PROSPECTS OF SURVIVAL

HK151345 Davao City MINDANAO MIRROR-BULLETIN in English 5-11 May 86 p 2

[Column by Gil M. Abarico: "Give a Chance to New Government"]

[Text] The vast majority of Filipinos are neither Marcos loyalist nor Cory fanatics. They simply want to live in peace, to earn their living and to aspire for the simple conveniences of a progressive society. Alas, the present scenario in this country does not allow them the luxury of even their basic desire to be left in peace. What they cannot understand is that some sectors proclaim their call for reconciliation but follow it up with acts of hate and vindictiveness. The rhetoric of reconciliation sounds with a hollow ring and what prevails is the reality of division and dissension.

From the north to the south, the unmistakable signs of national division are being raised in protest against the hypocrisy of those who proclaim unity but provoke reverse reactions. What surprises or even shocks naive observers is the intensity and prevalence of protests in so short a time that a new government has ascended to the seat of power. So soon will there be a gathering storm? We hope not.

The most logical thing for all Filipinos should be to rally behind a new national leadership or at least give it a chance to solve the multifarious problems confronting the nation. It should be a time for unity and cooperation, forgetting or setting aside the ruinous factionalism that has hounded our country since the birth of freedom. But no, it seems that fate should dictate otherwise--for barely two months since its rise to power behind the so-called EDSA [Epifano de los Santos Avenue] revolt, the new government is now beset with enormous problems, from the left to the right, from the north to the south--discordant voices are heard.

In the face of all these preoccupations of the new national government with problems of rising insurgency and a weakened economy, it is tragic that many of its supposedly responsible ministers are instead going on their merry way to inflict more injury on the precarious structure of unity--not by upholding great principles but simply by adhering to selfish partisan or personal purposes, such as disturbing the tranquility of even remote communities by replacing popularity elected officials with personalities of their own choice, without even going thru the motions of consultations.

If this government eventually collapses, it will not be due to the violence of misguided Marcos loyalists or even due to the communists and secessionists. That would be giving them too much credit, because Filipinos are basically against violence, fundamentally God-fearing and truly patriotic and therefore will not fall easy prey to the blandishments of extremists. But if ever this government collapses, it will collapse by its own weight, through its own blunders and because of an apparent self-destruct mechanism implanted in the subconscious of many of those elevated to the status of demi-gods in the present regime.

The Marcos dictatorship is dead but it seems that those it once enslaved are destined to repeat the mistakes of a fallen tyranny. He who sows the wind shall reap the whirlwind?

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CSO: 4200/1029

PDP-LABAN INFLUENCE IN GOVERNMENT NOTED

HK131114 Quezon City BUSINESS DAY in English 12 May 86 p 6

[By Raissa Lamson Espinosa]

[Text] Whether by accident or design, the three ministries with direct links to the masses are run by PDP-LABAN [Pilipino Democratic Party-Lakas ng Bayan] members: Augusto Sanchez for labor, Aquilino Pimentel Jr. for local governments and Ramon Mitra for agriculture and food. All three have created a whirl of controversy around them.

The extent of PDP-LABAN's influence in government policy-making cannot yet be ascertained. President Aquino herself cautioned Sanchez in his antimultinational and foreign investment statements but also upheld the labor minister's belief in the right of all workers to unionize.

What is apparent at this point is that this ideologically-based party has a strong voice in the coalition government. And those members in position are now trying to practice and persuade others to follow their shared ideology of a nationalist Christian democratic socialism.

Besides the three ministers, others in government are Metro Manila officer-in-charge Joey Lina Jr., Makati acting mayor Jejomar Binay, Quezon City acting mayor Brigido Simon Jr. and Commission on Audit chairman Teofisto Guingona. Binay told BUSINESS DAY that even presidential spokesman Rene Saguisag and executive secretary Joker Arroyo are party members.

The party's secretary-general is Aquino's younger brother Jose Cojuangco and the founder of its LABAN wing was Aquino's late husband, Benigno Jr. who labelled himself a Christian socialist.

Which is more valuable, a crippled old man or a beautiful, expensive new car? Prospective party members are told in a seminar that the car is important but the man's value "far exceeds that of the car" because man, "the masterpiece of God the Father," and "His partner in the liberation of humanity and in the building of His Kingdom here on earth" has a "basic innate value that puts him above all other creation."

This basic belief that every member first has to swear to, is tied up with nationalism, humanism, political (participatory) democracy and democratic socialism (which states that all economic power must rest in the hands of the people; talents and ownership are mere stewardships for the society and state's well-being; profit is subservient to the following: the total development of the human [word indistinct] societal property and equitable share for all in the national wealth).

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CSO: 4200/1029

VIRATA CLAIMS NEW ECONOMIC PROGRAM LIKE OLD

HK131020 Quezon City BUSINESS DAY in English 12 May 86 p 2

[Text] The Aquino government's economic program is basically the 1983 program of the previous government, former prime minister Cesar Virata said last Friday.

Although Virata did not go into details in comparing the 1983 program and the Aquino government's economic program, he was clearly referring to the so-called economic adjustment program the Finance Ministry and the Central Bank [CB] had worked out with the International Monetary Fund (IMF) and the World Bank as conditions for these two institutions' support. Among the major elements of this program that clearly were adopted by the new government's economic officials are the emphasis on agricultural development, the lifting of tariff protection for industry, and the move toward allowing market forces to determine economic efficiency.

In an informal talk with local and foreign journalists last Friday, the former prime minister said he told deposed president Marcos by telephone that he wanted to resign from his government posts. Virata disclosed that Marcos responded by dropping a veiled threat. "He told me that if I wanted to resign I should't do it now or I might be included in the conspiracy," he said. A close colleague of Virata claimed that during the four days of the military-backed uprising, Virata chose to be on the move in his car to avoid being required by Marcos to be present in his inauguration as president.

Virata also related that the last time he and CB Governor Jose B. Fernandez Jr asked for an audience with Marcos was when they discovered that a presidential decree had been issued, apparently engineered by Eduardo Cojuangco, requiring the CB to replenish whatever decrease in deposits, foreign exchange and reserves incurred by banks which were hit by the boycott call of the opposition then. "We managed to convince the president to recall the decree after we explained to him that this was prohibited by the CB charter."

Virata last Friday explained that political factors had blocked the government plan then to merge the Philippine National Bank (PNB) and the Development Bank of the Philippines (DBP). "After separating the bad debts of DBP there was really no point in allowing it to exist separately since nothing would be left," he said. Virata disclosed that the wife of former presidential advisor on legal affairs Manuel M. Lazaro, who was an official of the DBP employees' association, had lobbied in Malacanang to block the PNB-DBP merger.

The former prime minister said the Finance Ministry and the CB discovered the extent of the mess involving the foreign debt of Asian Reliability Co. Inc. (ARCI) only after Credit Suisse First Boston, which headed the $25 million loan syndication for ARCI, provided them with documents which showed that ARCI had been able to get an advance from Credit Suisse on the basis of a guarantee issued by the Philippine Export and Foreign Loan Guarantee Corp (Philguarantee). "But the guarantee was completely fake," Virata claimed.

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CSO: 4200/1029

CABINET MEETING VIEWS CONTINUING DOLLAR-SALTING

HK140947 Hong Kong AFP in English 0940 GMT 14 May 86

[Text] Manila, May 14 (AFP)--The new government is upset over official reports that some wealthy Filipinos continue to illegally stash dollar holdings abroad and is considering incentives to attract the much-needed money home, an official said here Wednesday.

Cabinet spokesman Fulgenico Factoran told a news conference that the practice, officially called "dollar salting" here, was the "most lengthily discussed" topic at the cabinet meeting chaired Wednesday by President Corazon Aquino.

The dollar salting levels were not mentioned, the official said, but "the cabinet was upset" by the reports. He said exporters were "one of the principal sources" of the practice.

Asked [word indistinct] the reasons for continued dollar salting, Mr Factoran said that "part of it is inertia" from the regime of deposed President Ferdinand Marcos.

He said some exporters were carrying on with their practice of undervaluing their exports in official declarations to the government so the undeclared part of the dollar earnings can be kept abroad.

The practice has deprived the country of much-needed capital as well as taxes on exporters' income. The past government estimated that hundreds of millions of dollars were salted away every year.

"It takes a little more effort to start declaring the true value of your exports," Mr Factoran said.

He added the cabinet consensus was that instead of "repressive measures" against salters, the government "should make it attractive for the Filipinos who have foreign exchange abroad to bring their capital back for use in the Philippines."

He said the ministers concerned were ordered to come up with proposed incentives.

Dollar salting escalated along with outright capital flight from the country during the troubled last years of rule by Mr Marcos, now in exile in Hawaii.

The ex-president is faced with lawsuits alleging that he illegally accumulated more than five billion dollars during his two-decade presidency and kept most of it abroad.

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CSO: 4200/1029

PCGG SEQUESTERS COMPANIES ALLEGEDLY OWNED BY MARCOS

Cojuangco's Interests in Pepsico Held

HK141611 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 14 May 86 pp 1, 3

[By Rodolfo V. Brul]

[Text] Now it's official.

Eduardo Cojuangco Jr., who controlled the local Coca-Cola through San Miguel Corp., was also in control of the firm bottling products of Pepsi-Cola, Coke's top competitor worldwide.

This surfaced yesterday when the Presidential Commission on Good Government (PCGG) bared it has sequestered Cojuangco's controlling interests in the Pepsi-Cola Distributors Inc., the country's franchise bottler of the American softdrink company.

PCGG insiders, however, said that although the sequestered shares of stocks of Challenge Corp. of the Philippines is owned in paper by Cojuangco, they belonged to former President Marcos in his efforts "to establish a soft drinks monopoly in the country."

Sources further said that Pepsico USA through its headman, Donald Kendall who came to Manila in 1983, with his close association with the Marcos family, was able to import softdrink bottles, a banned commodity, into the country tax-free.

The government reportedly lost more than $35 million or P700 million in uncollected taxes and duties because of this favored relationship.

The sources also said that the government shelled out more than $50 million or roughly P1 billion from the country's foreign exchange reserves in favor of this American multinational company.

The enterprise, it was learned, did not earn a single dollar from exports.

Meanwhile, the management of PLDT [Philippine Long Distance Telephone Company] will look into the reported harassment of PCGG task forces by PLDT company security guards, Commissioner Raul Daza said yesterday.

PLDT's assurance came in the wake of complaints by PCGG task forces in several PLDT offices who were barred by security guards to enter the company premises.

In one instance, at the PLDT Mandaluyong office, a task force volunteer was even pushed to the ground by the telephone firm's sentries.

PTIC, Prime Holdings, Inc Affected

BK150249 Manila PNA in English 0238 GMT 15 May 86

[Text] Manila, May 15 (PNA)--The Presidential Commission on Good Government (PCGG) has ordered the sequestration of Philippine Telecommunications Investment Corp. (PTIC) and Prime Holdings, Inc., which are allegedly owned by deposed President Marcos.

PCGG Commissioner Mary Concepcion Bautista, who issued the order, said Prime Holdings is owned by Rolando C. Gapud, former president of Security Bank and Trust Company and widely known as a front man of the Marcoses in their various business interests.

Prime Holdings owns 46 percent of PTIC which in turn owns 26 percent of Philippine Long Distance Telephone Co., (PLDT).

Bautista said the PLDT management has apologized to the commission for barring its task force from entering PLDT's premises last May 12 and has allowed the task force to proceed with its job.

But, she said, that despite the apology, the commission has ordered plot to submit a written report to the commission within 48 hours to explain the barring incident. [as printed]

Bautista also said the commission has discovered that Vicor Entertainment Corp. headed by Vic Del Rosario has a 3.1 million U.S. dollar loan from the Development Bank of the Philippines [DBP].

The loan, which originally amounted to only 1.4 million dollars, was obtained by Vicor from DBP in 1980. The loan, however, was not fully secured. Only one-third of the amount of the loan was collateralized.

It was gathered that Vicor is 100 percent owned by the Cultural Center of the Philippines (CCP). CCP reportedly invested in Vicor using the flood tax collected from moviegoers.

The commission is also looking into the possibility that Del Rosario could have used the money of Vicor to finance the operations of Viva Films, a movie outfit which he also heads.

Vicor and Vica Films were earlier sequestered by the commission.

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CSO: 4200/1029

TRAVELLER REPORTS MARCOS STRUCTURES FIRMLY ENTRENCHED

Auckland THE NEW ZEALAND HERALD in English 9 Apr 86 p 12

[Text]

The Aquino regime in the Philippines is still a long way from wiping out the legacy of the disgraced Ferdinand Marcos, according to an Auckland man just back from a visit to the republic.

Mr Keith Locke, who spent three weeks in the Philippines, says the deposed president may be gone but the structures and power groupings he left are still firmly entrenched.

From talks with peasants and struggling villagers in communities hundreds of kilometres from the capital of Manila, Mr Locke said that it was clear the revolution which saw Marcos toppled by President Cory Aquino had not changed life one bit in the countryside.

For sugar workers, farm labourers and landless rural inhabitants the critical issue was control of their land and their destiny, Mr Locke said.

Rural workers earned $3 a day on plantations and small plots but were tied by financial obligations to landlords.

Landlords had carved out positions of power and privilege under Marcos' rule and enforced their status through the Army and armed thugs, Mr Locke said.

If the democratic revolt signalled by the Aquino victory in Manila was to succeed throughout the scattered islands republic then land reform for the 70 per cent of Filipinos who lived in the country was vital.

"Marcos left a whole structure of dictatorship," Mr Locke said.

"The People's Power revolt has put the entrenched and wealthy interests on the defensive.

"The pressure is now on Cory Aquino to involve the rural organisations to extend the democratic steps into the country."

The reforms also would involve the New People's Army, a communist organisation which has forged close ties with impoverished villages in many areas.

Mr Locke said that the NPA protected some communities against armed attack by Government or paramilitary troops.

Mr Locke went to the republic at the invitation of a left-wing alliance newly active in the radically altered political climate there. He represented Philippines solidarity groups in New Zealand which had been campaigning for social justice.

During his stay, Mr Locke said, he slept with impoverished peasants who lived in a "hand-to-mouth existence" and he had a two-hour session with the founder of the country's Communist Party, Mr Jose Maria Sison.

Mr Sison was freed last month by President Aquino after being detained in 1977.

Mr Locke also made contact with the Task Force of Detainees, a church-based group investigating activities against dissidents by Government forces.

The task force, which is represented on the newly established Philippines Human Rights Commission, estimated that nearly 2000 people were "salvaged" or murdered by troops or death squads between 1977 and 1986.

Mr Locke said that New Zealand groups would now initiate campaigns for the release of 577 political prisoners still held in Philippine jails.

He also expected calls for aid from New Zealand to be directed to areas where it was most needed.

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CSO: 4200/1051

MINISTRY TO 'EXORCISE' MARCOS VALUES FROM TEXTBOOKS

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Article by Carlos Hidalgo]

[Text] The Ministry of Education, Culture and Sports has prepared a series of teacher manuals to "exorcise" public elementary textbooks of contents that tend to indoctrinate school children of what are felt to be undesirable values and blind obedience to the fallen Marcos regime.

Minister Lourdes Quisumbing said the manuals, published by the foreign-assisted Instructional Materials Corp, will be used starting next school year to guide teachers on "what to teach, and how to teach" in view of the objectionable lessons contained in the textbooks.

She said her office had decided against destroying the questioned textbooks of the huge cost of their publication.

The textbooks, published under the Program for Decentralized Educational Development, contained lessons that tend "to deify some public officials, look down on our own culture, and foster preference for things foreign," Quisumbing said.

She said the teacher manuals were prepared after a "page-by-page" review of the school textbooks.

In a related development, Quisumbing urged the 13 MECS regional directors to liquidate the P50 million cash advances they had received since 1982 from the IMC.

If the cash advances remained unliquidated, Quisumbing said the distribution of the IMC textbooks for this school year would be imperiled, thus aggravating the already acute shortage of textbooks in the public school system.

Quisumbing, meanwhile, said she would not change the provisions of the controversial MECS Order 25 on tuition fee increases, pending a decision from the Supreme Court, where a case seeking to uphold the validity of a contradictory presidential directive has been filed.

As such, school expenses for SSS, Medicare, cost of living allowance, 13th month pay, retirement, janitorial and security guard salaries are chargeable to the 60 percent share of teachers and workers in tuition fee increases, Quisumbing said.

Under Presidential Decree 451, however, 60 percent of the incremental proceeds from tuition fees should be allocated for salary increases of teachers and non-teaching personnel.

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CSO: 4200/1064

PRESIDENT'S CHINESE 'RELATIVES' THANKED FOR VISIT, DONATION

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 4

[Editorial: The Chinese Connection"]

[Text]

What's in a name? Plenty (with apologies to Shakespeare), in the case of President Corazon Aquino, nee Cojuangco.

In answer to her expressed curiosity to the Cultural Attache of the People's Republic of China about her Chinese ancestral origin, the President was pleasantly surprised the other day when some 300 members of the Kho and Ko family association from 10 countries came to visit and trace her as a "very distant relative." It seems that, according to her visitors, Mrs. Aquino's ancestors were actually surnamed Kho before they elected to change their family name to Cojuangco, which is just as simple an explanation as any could be.

Nevertheless, this name-changing—or name adding— simply serves to focus attention on a segment of Philippine history which had not been given the importance it deserves. Historians have proved that even before the discovery of the country by the circumnavigator, Ferdinand Magellan, the Chinese in their ubiquitous junks had been plying the waters separating the two countries to trade their silk and earthenware with local produce. The occasional discoveries of Chinese jade and porcelain from archeological diggings dating back to some almost forgotten dynasty in China attest to this commerce between the two nations, as the fair skinned, sloe-eyed natives could trace their ancestry to a tender rapport or a mixed marriage so remotely in time from the present as to defy any genealogical detective work. In fact, it might be in the nature of an educated guess to assume that the name-changing might have become a necessity, as in the case of a Juan and a Kho combination, for more acceptability among the clan.

The 80-year-old Kho and Ko association claims delegates from China, Singapore, HongKong, Taiwan, United States, Japan and Malaysia. It is a totally credible claim. Chinese immigration to other lands could have dated back to pre-history to escape the wrath of their emperors or to seek greener pastures. A parallel case is happening in this country which our brother Filipinos left in droves to escape from the clutches of the Marcoses and seek better working opportunities in many parts of the globe.

The association donated to the government a certain amount of money as a token of their pledge of support to the Aquino administration, vowing at the same time to hold its annual congress in Manila. Coming from very distant relatives, it is a noble gesture. Against the importunings of closer relatives, the Chinese connection may turn out to be something we could be thankful for.

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CSO: 4200/1064

WORLD BANK INCREASES HOUSING SECTOR LOAN

HK151545 Quezon City BUSINESS DAY in English 15 May 86 pp 10, 11

[Text] The World Bank, which is offering a $100-million shelter sector loan to the country, is considering increasing this amount to $150 million, Teodoro K. Katigbak, special assistant for shelter, disclosed recently.

The additional $50 million will be used to start up the housing sector and cover the immediate requirements of the National Home Mortgage Finance Corp. (NHMFC) and the National Housing Authority (NHA). The NHMFC currently has a backlog of at least P1.2 billion in mortgage takeouts representing housing loans of about 17,000 Pag-Ibig [mandatory deduction from pay for housing scheme] members. The NHA, on the other hand, has to service debts amounting to P405 million by yearend.

According to shelter officials, the World Bank considers the country as far advanced in its analysis of the required structural changes and policy reforms necessary to revitalize the shelter sector. The World Bank is thus using the shelter sector to test the effectivity of its funds in rationalizing Philippine industries.

However, the World Bank is reportedly apprehensive about the suspension of the Pag-Ibig Fund as announced by President Corazon Aquino last May 1 and advocated its retention in an Aide Memoire dated April 23, 1986.

The World Bank Aide Memorie stated that "the proposed sectoral reform package is dependent upon the continued existence of the Pag-Ibig Provident Fund. Pag-Ibig is currently the sole source of significant domestic financial support for the industry, and would constitute the principal instrument of integration for the sector bringing government production and financial agencies into a more compatible and synergistic relationship. If Pag-Ibig is lost to housing, no alternative local source of long-term finance is currently available and the housing finance system would disintegrate, leaving the entire sector solely dependent upon budgetary support. It is thus vital to the plan that the Pag-Ibig Fund must be preserved."

Shelter sector officials, meanwhile, said that without the Pag-Ibig Fund the shelter sector loan may not push through. In the proposed loan, the World Bank is prepared to treat the Pag-Ibig fund investment in mortgages as the required government counterpart.

On the other hand, World Bank loan critics said that the Pag-Ibig fund cannot just be used as the government's counterpart fund since the Pag-Ibig Fund is a private fund owned by its members. Approval from its members may be necessary before the government can use it as a counterpart fund for a foreign loan.

Shelter officials said, however, that using the Pag-Ibig Fund would not entail the actual spending of the fund since the World Bank has agreed that Pag-Ibig funds invested in mortgages would be acceptable as a counterpart.

Pag-Ibig officials meanwhile, noted that while President Aquino had clarified the suspension of the Pag-Ibig fund to be temporary, she had given instructions to rationalize the fund to make it more relevant to lower-income members.

Pag-Ibig officials said that objections of employees to the fund can be partly solved if each member could be given an up-to-date annual accounting of their fund values. In addition, automatic provident fund loans of P1,000 and P2,000 made to more than half a million members have lessened objections to the fund. With the entry of World Bank funds coupled with the lowering of housing costs, more housing loans can be extended to members and may complete the task of generating acceptance by employees, they said.

To further reduce the burdens of mandatory membership of lower-income workers, Pag-Ibig officials also recommended several measures. These include the retention of mandatory employer contributions to the fund, exemption of employees earning less than P1,500 from contributions, and increasing the maximum fund salary for which mandatory employer and employee contributions are required from P3,000 to P5,000 per month.

Shelter officials said that adoption of these measures would save the fund and allow continuation of the quick-disbursing World Bank loan.

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CSO: 4200/1029

DEVELOPMENT BANK CHAIRMAN LISTS PRIORITIES

HK150115 Quezon City BUSINESS DAY in English 14 May 86 p 7

[By Conrado R. Banal III]

[Text] Development Bank of the Philippines [DBP] this year will sell about P3.5 billion worth of its acquired assets and equity investments in private enterprises, convert itself into a wholesale bank, and set up a fund together with the Asian Development Bank [ADB] to build a medium- and long-term funds market.

Included in the P3.5 billion sellout blitz are DBP's shares in Philippine Commercial International Bank, Associated Bank, and Philippine Long Distance Telephone [PLDT] Co., which may total P1 billion.

Three hotels--Cebu Plaza, Zamboanga Plaza, and Bayview--majority owned by DBP, are also in the list.

Such an asset disposal heads DBP's priorities this year, in line with the Aquino government's policy to put business in private hands, according to Jesus Estanislao, DBP board chairman.

Speaking before the Development Bankers Association of the Philippines, Estanislao yesterday revealed two other DBP priorities: to strengthen its operations and to align its policies and programs with changes in the financial environment.

Those three DBP priorities indicate that implementation of President Aquino's "private sector first" policy will start in government financial institutions (GFIs). Estanislao yesterday told BUSINESS DAY that DBP's plans were connected with priorities approved by Finance Minister Jaime V. Ongpin and Central Bank governor Jose B. Fernandez Jr. who will have the decisive roles in GFIs' collective fate.

Estanislao said Fernandez agreed that DBP's equity investment in PCI Bank, amounting to about P250 million, has little development role.

He added that DBP has received offers for its shares in both PCI Bank and Association Bank but "certain things" have to be threshed out before a sale, such as the price and the government's desire to avoid concentration of bank ownership to a few groups.

DBP's shares in PLDT amount to about P400 million, Estanislao said, adding that since PLDT is an established firm, DBP has no reason to keep its investment in the firm.

A P135-million offer has been made for Cebu Plaza Hotel, he said.

The sellouts can give DBP the cash to pursue its lending operations and lighten the financial burden it puts on the national government.

Strengthening DBP's finances and operations therefore gets Estanislao's second priority status, apparently because Ongpin and Fernandez have cleared his plan to convert DBP into a wholesale bank.

Estanislao wants to retail DBP's lending operations through the country's 45 private development banks.

For starters, he is setting aside some P350 million of the DBP-Social Security System funds for retail lending by those private banks.

Estanislao believes that DBP's third priority--to take advantage of changes in the financial environment--will help create a medium, and long-term funds market.

He noted that the present relatively low inflation rate offers the chance to establish such a market.

The ADB is helping DBP in this project. The main aim, as espoused by Ongpin, is to bring back Filipino capital from abroad.

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CSO: 4200/1029

COLUMNIST ON DECISIONMAKING IN AGRICULTURE MINISTRY

HK160303 Manila THE MANILA EVENING POST in English 14 May 86 p 4

["Reporter at Large" column by Mario P. Chanco: "Who Is Really Calling the Shots in Agriculture?"]

[Text] There are crossed lines and distress signals floating over key government offices and ministries charged with the crucial task of agricultural reform. The Ministry of Agrarian Reform [MAR] believes that sugar and coconut lands should be included in the list of crops now under agrarian reformation. The Ministry of Agriculture and Food does not agree, and its position, deemed reasonable by its proponents, is that unless the [word indistinct] task on rice and corn reform beneficiaries is safely on stream, MAR should not try to increase its headaches.

On the agricultural credit front, Finance Minister Jaime Ongpin said last week he was working on a scheme to borrow $200 million for seed capital to be turned over to a new "apex" type agricultural bank. A day later, the agricultural ministry came out with the draft of an executive order, said to be poised for signing by President Aquino, calling for the consolidation of all agriculture funds and "related loanable" funds into yet another body to be called the Agricultural Credit Policy Council.

The question hovers: Who is calling the aggie shots?

Both schemes are, to be sure, a distinct improvement over the old system. That procedure saw both former Minister Sonny Escudero and his predecessor, Arturo Tanco, Jr. flailing their arms helplessly before the aggie financial technocracy. The improved versions, however, still give the farming sector occasion for pause. The MAF [Ministry of Agriculture and Food] credit body could seem particularly offensive to CB Governor Jobo Fernandez and Jimmy Ongpin, since it would make Minister Moching Mitra sit on top of all aggie credit dispensation (which may be what the aggie sector truly needs). Ongpin and Fernandez could argue that credit policy, whether industrial or agricultural, is a function both of the Central Bank and the Ministry of Finance.

The MAF proposal seems nevertheless fully fleshed out and it is already in the cabinet hopper.

It needs only the signature of President Aquino to launch as a full-blown project.

The Ongpin proposal for an "apex" type of agricultural bank, on the other hand, has its roots in much the same welter of discontent over current credit policies extended to the farm sector. It is also in the hopper; complete plans for these were begun last year by a Land Bank and rural bankers' team, and are only being touched up, preparatory to getting the imprimatur of money lenders abroad and of President Aquino.

It is not certain at this stage which of the two proposals will win out.

If no conflict of wills ensues, the results will be happiness for the farm sector. If this is not possible, all is not lost; something can still be done. President Aquino can call upon all the field forces at her command to sit down and find the shortest and most cost-efficient way to make agriculture pay.

That is the sum of all agricultural effort, when you come down to it--productivity.

The lack of productivity was, next to bureaucratic indifference, the single biggest factor behind the decline of agrarian reform during the past regime. Farmers unable to wrest even a minimum livelihood from their small farms quickly lost interest in it. At the first opportunity, they either transferred the rights to their lands, sold it outright using various subterfuges--or they lost (without much regret, one fears) their CLTS [expansion unknown] to aggressive landlords and crooked lawyers.

"It wasn't just the credit delivery and facilities approaches that were defective," a national farm leader said recently at an agrarian reform forum. "It was the absence of contemporary state-of-the-art technologies that the farmers needed. Farmers could have diversified, following crop marketing patterns more closely, done any of a hundred different things with their small plots, consolidated some operations and discarded others. None of these could be done, save in dribbles. There was simply no instructional talent of that sort available. Nor is there, now. In fact, the current complaint is that most of the new aggie hierarchy prefers to work on agriculture from the vantage point of table-tops, not of the farms.

The imposition of heavy taxes on unused or idle land is seen in many quarters to have many potentially useful effects.

One of these will be that productivity will surely rise. People who either do not have the means to develop their land, or who cannot marshall the skills to develop it, will be forced to sell or give up their properties. This sort of involuntary land reform will do harm to some landowners. But in the main, it may result in a new kind of farm manager being developed. Instead of joining instructional college staffs, the well-rounded aggie graduate may assemble any number of given landowners in a given area and handle their properties for a fee, or for a share of the profits.

Many vexing problems will arise here also. But such problems will be small alongside the greater good to be derived from a situation where a person's right to land ownership is equated to his will to develop it.

It's probably immaterial whether, in the long run, the MAF or the Central Bank or a new Apex Bank handles farm credit.

Given the material inputs, the most important input remains the person who can make aggie property pay. The new government will lose nothing learning to develop this angle. It may be worth more than the sequestering and raking-over-the-coals operations that still hug the headlines--for how much longer, no one seems to care or know.

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CSO: 4200/1029

DAILY REPORTS SAGUISAG 'LEAVE,' SPECULATES ON DEPARTURE

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 pp 1, 6

[News Analysis: "Insight--Saguisag Goes on Leave"]

[Text]

Presidential spokesman Rene Saguisag will go on an "indefinite leave" to represent the government in legal proceedings involving the Bataan nuclear plant.

His friends and press circles, however, have known for sometime that Saguisag wanted out. Monica Feria writes in this article prepared before the announcement of Saguisag's leave from Malacanang duties. *–ed)*

Rene Saguisag, the now-prominent presidential spokesman has told the President that he wants out.

Rene, a bold and energetic human rights lawyer before he was drafted by Cory Aquino into "inner" government service, has discovered soon enough that the burden of power to his independence of thought and privacy is heavy indeed – and require a temperament which his years at the Harvard School of Law did not exactly train him for.

As "Cory Aquino Jr." he has to answer calls up to late at night from a demanding and persistent press community. He has to listen to their complaints and occasional impatient catcalls. He receives hundreds of letters a day – 70 per cent of which, he says, has nothing to do with his job as presidential spokesman. They are from people and friends who want him to tell Cory this, tell Cory that, facilitate an appointment, look into a complaint, give so-and-so a job, you name it. People, of course, perceive him to be only whispers away from the president and the more resourceful lobbyists have discovered where he lives. Employes who have lost their jobs in the new government reorganization have threatened to picket his house.

Rene is tired and harassed. The role of the presidential spokesman has always been ambiguous. Remember the confusion and strain between Marcos spokesman Adrian Cristobal and former Information Minister Gregorio Cendana? Meanwhile, Rene is being crushed between the Ministry of Information and the Office of the President, both of which have yet to get their administrative acts together. As spokesman too he cannot open his independent mouth; he must dish out the official line and play with the team.

In the beginning, it was hard to refuse the opportunity to be where the power is. "Its a nice feeling...what you tried to do in so many years could be done in just days," he had told us, referring no doubt to the release of political prisoners and the restoration of many democratic rights.

Later, he became more restless and began telling more and more of his friends that he didn't think he was cut out for the job.

When the official channels roll too slowly, appear arbitrary or simply don't work, "palakasan" will be the name of the game, we argued with Rene. At times it is a way of making up for the bureaucracy's failure or personality clashes which often get in the way of professional matters.

"But if we have to cut it, then let's cut clean," Rene countered, exasperated.

But with things as they still are. . ., we tried to continue. Rene raised his hands.

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CSO: 4200/1064

TUCP'S HERRERA ON AQUINO REPROVAL OF LABOR MINISTER

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 pp 1, 6

[Article by Joey Salgado]

[Text] President Aquino reproved Labor Minister Augusto Sanchez last week in front of some of the country's leading trade unionists for favoring the militant Kilusang Mayo Uno, a high official of the rival Trade Union Congress of the Philippines disclosed yesterday.

TUCP secretary-general Ernesto Herrera told the weekly Kapihan sa Maynila that he (Herrera) complained to Mrs. Aquino about Sanchez's actions in last Tuesday's meeting of labor leaders with the President.

"If you want to fight, we're willing to fight you," Herrera recalled telling Sanchez in the presence of the President.

Sanchez could not be reached for comment on the reported incident.

Herrera was the lone speaker at the Kapihan after the other invited guests, including Sanchez, other labor leaders and management representatives, failed to show up upon the advise of Malacanang.

Malacanang was reportedly apprehensive that the appearance of Sanchez and officials of business and labor could "jeopardize" the outcome of a meeting between Aquino, the Employes Confederation of the Philippines and the Labor Advisory Council scheduled late yesterday afternoon.

A member of the Labor Minister's staff confirmed that the "request" to stand up the Kapihan came from the office of President Aquino and was delivered by Executive Secretary Joker Arroyo.

Kapihan organizers were, in fact, contacted by a top official of the Ministry of Information and asked to "scrap" yesterday's Kapihan, the first time that Malacañang asked for a cancellation of the weekly forum. Arroyo reportedly called up leaders of the Labor Advisory Council and ECOP without the knowledge of Kapihan organizers.

Those who failed to come were Sanchez, Raoul Inocentes, president of ECOP, Benildo Hernandez and Frank Drilon also of ECOP, and lawyer Rolando Olalia of the Kilusang Mayo Uno.

Herrera, who was obviously unaware of the sudden cancellation of the other guests' appearance, had a field day blasting Sanchez for his "statements and actuations that need to be changed."

"It is difficult to say that he is acceptable or unacceptable," Herrera said when asked if the TUCP outrightly rejects Sanchez.

Herrera, bathed in camera lights and answering questions with relative ease, added that the TUCP wants Sanchez to "expand his circle of advisers."

Commenting on the proposed strike moratorium, he said government should first spell out the terms of the "ceasefire," although he feels that a moratorium is not necessary since there are enough laws to rein in illegal strikes.

"Government should be firm in putting order in labor relations," he said.

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CSO: 4200/1064

SAN MIGUEL CORPORATION DEFIES BAN ON BOARD ELECTIONS

HK131438 Hong Kong AFP in English 1424 GMT 13 May 86

[By Rene Soliman]

[Text] Manila, May 13 (AFP)--San Miguel Corporation (SMC), the largest manufacturing firm in the Philippines, Tuesday defied a government ban by calling an election of its board of directors.

In an annual stockholders meeting attended by over 2,000 people in the financial district of Makati, San Miguel officials set the election for May 27, 12 days before the expiry of a ban imposed by the Securities and Exchange Commission (SEC).

The meeting took place hours after the state corporate watchdog body barred SMC from holding the election pending the resolution of a dispute over the ownership of a large block of SMC shares. The ban was to be in effect for 20 days.

San Miguel acting chairman and president Andres Soriano, whose positions were supposed to be formalized in the aborted election Tuesday, instead delivered a wildly-applauded speech before a packed hall of SMC stockholders.

Mr. Soriano defended the controversial transactions entered into by SMC during the last two months as "imperative for the company to survive."

San Miguel has been locked in a bitter dispute with a presidential commission investigating charges of ill-gotten wealth of deposed President Ferdinand Marcos and his associates, over a series of complex transactions.

The commission suspects that a large block of 33 million SMC shares mysteriously unloaded last April at the Manila bourse belong to Eduardo Cojuangco, a close ally and alleged business front of Mr. Marcos.

The panel voided that sale and froze the proceeds amounting to 161 million dollars, claiming at violated President Corazon Aquino's proclamation banning the movement of suspect assets.

The buyer was an unnamed group later identified to be an SMC subsidiary that made the purchase using funds from the sale of the company's Hong Kong brewery.

Mr. Soriano defended the reacquisition by his group of the Cojuangco shares as "swift, immediate and decisive action...to eliminate a destabilizing block of shares," adding that he personally did not benefit from the deal, as alleged by critics.

He also pledged to return the questionable shares "to the marketplace ... to increase the public ownership base" of the conglomerate which the Soriano family has controlled for more than three generations.

The good government commission had sought to disallow the SMC board election, fearing the Soriano group would use the disputed shares to ensure itself of power and thus effectively sweeping the ownership issue under.

The 34-year-old Mr. Soriano, whose father and grandfather both headed SMC, said that while the country had "fought so hard to regain its freedom," San Miguel was still "fighting for its freedom." He said it was the stockholders' right to decide on SMC's future.

The SMC head suggested the presence of Mr. Cojuangco, an estranged cousin of Mrs. Aquino, in the 96-year-old firm had a negative impact on SMC's image, citing "numerous complaints of involvement of management and employees in partisan political activities" during the presidential election campaign early this year.

Mrs. Aquino, who was then the opposition standardbearer, called for a consumer boycott of San Miguel products as a part of efforts to oust Mr. Marcos after the fraud-marred February 7 election.

Mr. Soriano said Tuesday the boycott had "caused great harm" and had resulted in "polarization" and "demoralization" of SMC employees.

Some 5,000 civilians and soldiers, meanwhile, Tuesday staged a candlelight procession along a suburban avenue dividing two military camps in nearby Quezon city.

They ended the gathering by attending an open-air mass in front of the Armed Forces headquarters.

The procession was held in memory of the February revolt in which hundreds of thousands of unarmed civilians surrounded the two military camps to protect a few hundred reformist troops who mutinied against Mr. Marcos.

The mass was attended by Defense Minister Juan Ponce Enrile and General Fidel Ramos who led the revolt, and by Trade and Industry Minister Jose Concepcion who also took part in the procession.

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CSO: 4200/1029

KMU CHAIRMAN REACTS TO LABOR, BUSINESS AGREEMENT

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 pp 1, 6

[Article by Joey Salgado]

[Text] Labor and business representatives have agreed not to implement the proposed six-month moratorium on strikes and decided instead to convene a tripartite conference to draft rules governing labor-management relations.

The agreement was reached yesterday during a meeting of the Labor Advisory Consultative Council, composed of the country's major trade union groups and the Employers Confederation of the Philippines.

The original draft of the agreement, signed by both parties, included a provision calling for a moratorium on strikes and layoffs and other job-cutting measures for six months.

The provision, however, was scrapped after deliberation.

The moratorium proposal came up during an earlier meeting of the LACC with President Aquino.

Labor leaders were not immediately receptive to the moratorium proposal, arguing that there were other industrial issues where strikes were unavoidable.

Rolando Olalia, chairman of the Kilusang Mayo Uno, said issues such as deadlocks in bargaining negotiations remained mostly unresolved after the lapse of the mandatory 30-day cooling off period.

She also said clear acts of unfair labor practice such as union-busting could only be foiled by the union through strikes.

The LACC and the ECOP agreed to call a tripartite meeting to draft a "code of industrial harmony" with equal representatives of not more than 10 each from labor, business and the labor ministry.

The proposed code would contain guidelines on the conduct of strikes and other matters related to industrial relations.

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CSO: 4200/1064

RETURNING OVERSEAS WORKERS ADD TO UNEMPLOYMENT BURDEN

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Text]

Permanently returning overseas contract workers add to the Aquino government's problem of devising means to ease the nation's chronic unemployment situation.

The returnees further swell ranks of the unemployed because they could not immediately find local jobs except for those highly specialized skills which happen to be in demand.

They also represent an additional layer to the social discontent being generated by the unemployment problem in the sense that their former high-paying jobs enabled improvements in their families' living conditions and such "good times" have now ended.

Calling attention to the problem are middle echelon labor ministry officials who disclosed that the new government still has to develop an approach to the plight of the returning workers.

They said the problem is how to redeploy the returnees locally in the face of a dearth of local employment opportunities because of the ongoing national economic crisis.

There is as yet no accurate ministry count of workers who have returned in the past two years nor is there a projection on number of those coming home this year and the next, according to the officials.

Based on rapid constriction of the Middle East labor market for expatriate workers, the officials said the expectation is that larger numbers of Filipino contract laborers in the oil-exporting Arab countries will lose their jobs there this year and the following years.

They added that local recruitment for overseas work will likewise taper off since the crash in world oil prices would compel the Arab nations to further cut down on construction projects that require imported labor.

Narrowing of the Middle East labor market started in the early 1980s and such a development is forecast to continue for the rest of the decade unless world oil prices recover to again shower the exporters with excess petrodollars, ministry officials said.

The officials cited ministry records which show that outflow of Filipino workers to the Middle East labor market has been progressively declining in the past four years. The records show that land-based workers placed in 1984 were 2.4 per cent less than in 1983.

Started in the mid-seventies by the deposed Marcos government, the export of Filipino labor helped ease the nation's unemployment problem and at the same time provided the government with a source of needed foreign exchange. – Depthnews

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CSO: 4200/1064

TOURISM MINISTRY TO DISMISS UP TO 5,000 EMPLOYEES

HK141607 Manila THE NEWS HERALD in English 14 May 86 pp 1, 6

[By Cynthia D. Balana]

[Text] Some 5,000 officials and employees of the Ministry of Tourist (MOT) face dismissal by the end of next month.

Fears of a massive layoff swept the MOT rank and file yesterday following the announcement by Minister Jose Antonio Gonzalez that, effective next June 30, he will consider vacant all positions in the ministry created under deposed President Marcos.

Gonzalez decided to fire all the MOT personnel despite the objections of Dean Jose Manansan of the Asian Institute of Tourism, concurrently chairman of the MOT Reorganization Committee.

Manansan reportedly recommended to Gonzalez the retention of deserving oldtimers, comprising about 40 percent of the total MOT work force.

MOT sources said Gonzalez not only disregarded Manansan's recommendation on the tourism personnel, but also asked for the dismissal of all employees of the Philippine Convention Bureau (PCB), the Civil Aeronautics Board (CAB) and the Philippine Tourism Authority (PTA).

The purge of key tourism officials identified with the previous regime continued yesterday with the dismissal of lawyer Ramon Tuangco, chief of the legal service.

Earlier Gonzalez ordered the dismissal of Jose Balmores, head executive assistant; Claudio Ochoco, administrative service chief and Col Jaime Ilagan, finance and management service chief. No reason was given for their dismissal.

PTA sources said the termination papers of 20 other key officials are awaiting the signature of General Manager Ramon Vinamira, Jr., while seven more division chiefs are scheduled to be fired this month.

Meanwhile, Gonzalez named his own men to key positions on a voluntary basis. Appointed were Armando Beltran, confidential assistant to the minister; Jose Jesus Roces, special assistant to the minister on finance and management matters, and Cherrie Aquipol, assistant to Rebecca Esgwerra of the Personnal Board.

Esguerra heads the Personnel Board undertaking the evaluation of the qualifications of all MOT employees.

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CSO: 4200/1029

MILITARY ALLEGES NPA PENETRATION OF APAYAO FACT TEAM

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 6

[Text]

Military authorities have disclosed that a Kalinga-Apayao fact-finding and medical mission has been infiltrated by four identified members of the communist New People's Army.

In a statement released to Malaya, authorities said the NPA used the mission, tasked to investigate military abuses in Apayao-to bolster the objectives of the guerillas in the area.

The suspects were identified as Benigno Valles of the Luzon Social Action Center, Myrna Cajayon of TFD, Gims Cruz of the National Social Action Center and Rollie F. Lee of SELDA, an organization of former political detainees.

Authorities said the four were identified by residents of lower Apayao as having participated in the 90-strong NPA guerilla parade in a recent display of force for the benefit of the area residents.

The authorities also denied charges made by the mission that there were rampant human rights abuses committed by the soldiers.

Former MP and Labor Minister Blas F. Ople, meanwhile said, the escalation of "people's war" in the countryside and threats of widespread unrest in the cities "should put the Aquino administration on notice that the Communist Party of the Philippines has rejected a ceasefire and reconciliation.

"The series of ambushes from Albay to Kalinga-Apayao to Cagayan, staged in quick succession, is a message of rejection written in fratricidal blood,"Ople said.

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CSO: 4200/1064

NORTHERN LUZON TRIBESMEN DISTRUST AQUINO GOVERNMENT

Quezon City ANG PAHAYAGANG MALAYA in English 29 Apr 86 p 16

[Article by Bonifacio A. Bengwayan]

[Text]

BUGNAY, Kalinga-Apayao (DEPTHnews) – Igorot tribesmen who have joined the dissident movement in the Cordillera highlands of the Ilocos region are very mistrustful of the Aquino administration.

They describe the new government as no different from the Marcos and previous regimes which treated them and other ethnic minorities in the country as second class citizens.

This attitude of the Igorot rebels was reported by the Human Rights Organization in the Cordilleras (HROC) led by lawyer William F. Claver. The group is helping relay the message of reconciliation, truce or ceasefire from the government to dissidents holed up in the Cordillera mountains.

Claver, who is HROC president, said that aside from the mistrust, problems of resettlement and employment are among those cited by the rebels in their non-response to calls of the Aquino government for them to return to fold of the law.

HROC has been conducting one-on-one interviews with the rebels. Some of them have been with the dissident movement for at least four years, Claver said.

The interviews are part of an HROC study to determine effective ways whereby the rebels can be persuaded to come down from the hills, lay down their arms and rejoin their communities, he explained.

Claver said that one of the toughest problems is the enduring belief of Cordillera ethnic minorities that they have always been low in priorities of the national government.

Cited was the socio-economic condition of ethnic communities not only in the Cordilleras but elsewere in the country which has been left far behind by that enjoyed by lowlanders or Filipinos who belong to the larger Christian community.

A recent example of supposed national government non-respect for ethnic minority tradition and culture is the Aquino government's appointment of officers-in-charge in the tribal communities "who are not minority members."

Claver said the complaint against outsider OICs reflects a belief of the Igorots "that they have never been given a chance by past administrations to be heard" on how socio-economic development of their communities should progress.

Turning to the resettlement and employment problems, HROC found that the rebels have been monitoring progress of comrades who have decided to surrender.

Most of those who returned to their villages after the usual clearance from the military had a tough time resettling and finding jobs, HROC said.

There have even been reported cases wherein surrenderees and some members of their families were slain by former comrades in the dissident movement "as a lesson to others." HROC said it is still trying to document such cases.

Returning to the mainstream after so many years in the hills of living a spartan and often hunted life has also been a trying experience for the surrenderers, HROC pointed out.

The returnees find themselves either looked upon with awe, fear or suspicion and such an experience is painful since the Igorot community is one of the close-knit in the country, HROC explained.

HROC reported that it had interviewed 250 persons so far in relation to its study; majority of them close relatives of the rebels. About 80 per cent was of the opinion that it is not wise at this time to heed the Aquino government's call for all dissidents to end their struggle and join in the national effort at reconciliation.

Interviewees would rather wait and see "depth of sincerity" of the new administration in its claim at reconciliation, HROC reported.

Of the rebels interviewed, HROC quoted one who said that he and his comrades would never surrender as long as the military abuses people in the countryside.

HROC further said that many of the rebels said that military abuses perpetrated on them and their relatives were the "ultimate factor" which made them decide to take up arms and join those in the hills.

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CSO: 4200/1064

17 NPA, SYMPATHIZERS SURRENDER IN BOHOL

HK130957 Manila PHILIPPINE DAILY INQUIRER in English 10 May 86 p 13

[By Boy Quezon]

[Text] Valencia, Bohol--Seventeen New People's Army (NPA) members and sympathizers the other day surrendered to Provincial Officer-in-Charge Victor S. de la Serna and Lt. Col. Jose G. Ayap, PC [Philippine Constabulary] provincial commander at the mountain barangay of Tausi-on this town.

The 17, led by Anesio Igar, alias Ka [comrade] Nesio, were granted amnesty.

The surrender culminated a month-long dialog among civilian authorities, military operatives, members of the Civilian Home Defense Force (CHDF) and the "Tadtad" [expansion unknown] group and the rebels.

According to Col. Leo L. Olegario, commander of the PAF [Philippine Air Force] reserve airlift support unit, based in Pasay City, rebels operating in Eastern Bohol, have also been sending surrender feelers.

Olegario, a native of this town, and De la Serna initiated reconciliation talks, in coordination with the PC provincial command. This reporter acted as emissary.

At presstime, insurgency-related killings peaked at 38, the highest since 1982, with an undetermined number wounded and 10 missing from the military, civilian and rebel sides.

On Oct. 13 last year, Bohol PC assistant provincial commander, Maj Richard Estrada, and 10 of his men were killed in an ambush allegedly by NPAs in Barrio Omjon, also of this town.

In their talks with the surrenderers, De la Serna, Olegario and Ayap emphasized the government's sincerity in resolving the insurgency problem, in line with President Aquino's policy.

The governor also announced the ongoing campaign of the government against all forms of injustices which marked the deposed regime.

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CSO: 4200/1029

CPP ALLEGEDLY DISRUPTING TRANSPORTATION SERVICES

HK130905 Manila MANILA BULLETIN in English 12 May 86 pp 1, 5

[By Rod Villa and Olaf Giron]

[Text] Government authorities are investigating reports that the Communist Party of the Philippines (CPP), through militant front organizations, is behind a move to disrupt transportation services to destabilize Luzon.

Labor, military and local officials were reported yesterday to be assessing intelligence information that the "illegal strike" that has crippled the Philippine Rabbit Bus Lines [PRBL] was the first of an "orchestrated plot" to disrupt Luzon's "Big Six" transportation firms.

As this developed, the Ministry of Labor and Employment (MOLE) said that eight more strikes were staged last week, bringing the number of ongoing strikes to 75 nationwide.

Government authorities identified at least four associations, one of them a militant labor group, have been placed on the "watch list" as communist fronts engaged in a "highly organized agitation and propaganda campaign" among workers in these companies.

Civic and community leaders joined local officials in urging an early settlement of the Rabbit labor dispute which has paralyzed 30 percent of land transport services in central and northern Luzon over the last 16 days.

Tarlac Gov. Jose Macapinlac was worried about the adverse consequences of the Rabbit dispute, notably the disruption of the livelihood of some 2,400 employees of the PRBL, which is based in his capital town of Tarlac.

PRBL General Manager Ricardo L. Paras said the strike has disrupted the company's daily flow of 60,000 commuters and slowed down the movement of foodstuffs and vital commodities, particularly from Baguio City, and between 10 vital points of destination covering Tarlac, Bataan, Baguio City, Laoag City, and Bangued, Abra.

It has likewise hampered the delivery of pouches and other vital documents of the Central Bank and other financial institutions using the Rabbit buses, Paras said.

Government probers received reports that the destabilization plot targeted Pantranco, Victory Liner, Baliwag Transit, Danwa Tranco and Times Transit, the largest firms servicing up to 85 percent of transport lines across Luzon.

Paras said the company was providing free meals and continues paying early 2,400 Rabbit workers since the company suspended bus runs April 26.

The officials conferred behind closed-doors to assess the extent of communist infiltration in the sector.

Paras reported that the company had to stop operations a day after goons identified with a leftist labor organization stoned several Rabbit buses, injuring a driver and other persons, on the North Superhighway near Dau, Pampanga, April 27.

"We had to stop operations to prevent the clear and patent possibility of death and injuries and destruction of our buses," he reported.

Stressing complete neutrality in the dispute, Macapinlac noted that the demands of the Samahang Militanteng Manggagawa sa Philippine Rabbit [Association of Militant Philippine Rabbit Workers] (ANGLO) [Association of Genuine Labor Organizations] headed by Manuel Pamsanba, were "noneconomic" and may not justify a strike.

They likewise noted that the strikers have been joined by persons waving communist hammer-and-sickle banners of the Kilusang Mayo Uno [May 1st Movement] which has been branded by the military as leftist and "too strike-prone."

Members claiming membership with the Bagong Alyansang Makabayan (Bayan) [New People's Alliance], and the League of Filipino Students have joined the picket lines.

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CSO: 4200/1029

LETTER CLAIMS CORDILLERA ALLIANCE NDF FRONT

HK141559 Manila MANILA BULLETIN in English 14 May 86 p 6

[From the Jesus Bigornia column: "A Letter From the Cordillera"]

[Text] "In view of the many published reports about the activities of the Cordillera People's Alliance [CPA], through its propaganda arm, the CORDILLERA NEWS AGENCY, I would like to submit the following so the public will not be misled by its propaganda gimmicks, a Mr. Extor Saburo, writes from La Trinidad, Benguet. He adds: "First, it should be made known to the whole Filipino nation that the CPA of which William Claver is the chairman is in reality a 'front' for the National Democratic Front, which 'fronts' for the Communist Party of the Philippines and its military arm, the New People's Army.

"Second, the Claver and the CPA spearheaded the boycott movement during the 1984 and 1986 Batasan and presidential elections and, together with the NPA, snatched ballot boxes during both exercises.

"Third, that Claver and his CPA supported by the NPA boycotted the two elections in hopes of making the then President Marcos and his party win to justify their waging the so-called 'people's war,' actually their own war, not the Filipino people's.

"Fourth, that Claver and his CPA are campaigning for the withdrawal from 'montanosa' (mountain provinces) so the NPA rebels, most of them lowlanders, can continue terrorizing the residents into joining their rebellion."

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CSO: 4200/1029

COLUMNIST CITES NEED TO LISTEN TO LEFTISTS

HK151547 Quezon City BUSINESS DAY in English 15 May 86 p 4

["My Cup of Tea" column by Ninez Cacho-Olivares: "Who's Afraid of the Left?"]

[Text] Who's afraid of the left and the radicals getting appointed to the Constitutional Commission? Some conservatives and Blas Ople, it seems.

Ople, who heads a political party, probably of one, had earlier issued a warning that the communists plan to infiltrate the Con-Com. Mr. Ople, who also, I hear, informs American officials of these "dangers," was quoted as having said that "radical groups have been most vocal in demanding representation in the Con-Com while denigrating the claims of other groups" and that these radicals want to dominate the Con-Com and use it to divide the nation. Furthermore, according to him, if the "radical left succeeds in dominating the commission, it would "preempt the government in deciding issues of national import, including those involving American military bases in the country."

The Nationalist Alliance for Justice, Freedom and Democracy (NAJFD), on the otherhand, has nominated Horacio "Boy" Morales Jr., who under the Marcos regime was tagged as the National Democratic Front chairman. NAJFD reportedly also endorsed the nomination of Jose Maria Sison, who was once tagged as the Communist Party supremo. It also suggested that six laborers, eight peasants, two fishermen and two members of the urban poor should also be appointed to the body. If Morales, Sison and other "radicals" are indeed to be appointed to the Con-Com by President Aquino, should this be a cause for concern? Or, to put it a shade deeper, should Filipinos be afraid of the left having a voice in the making of a new Constitution?

If we, as a nation, believe in establishing a pluralist and an egalitarian society, why do we tend to shut out the left and the radicals? Shouldn't their ideas and aspirations be heard as often and as loudly as the aspirations of the centrists and the conservatives?

Why does it become a cause for alarm when Labor Minister Bobbit Sanchez makes an announcement that is generally viewed by the conservatives as pro-labor? Why is Mr. Sanchez now stamped as a leftist simply because his pronouncements were not reflective of conservative views? Questions are even asked on how far left his leanings go. One must have noticed the sudden overflow of news stories that investors are now scared to plough in capital because of Mr. Sanchez's pronouncements!

Whether Mr. Sanchez is regarded as pro-left or pro-labor, whether these pronouncements were echoed or rejected by Mrs. Aquino, were these Sanchez pronouncements the real reason investors continue to have a "wait and see" attitude? Or why they have changed their minds about investing in this country? Is this enough reason for some heads of multinational [words indistinct] they are already "fed up?"

Multinational corporations do not do business only in capitalist countries. They can be found almost everywhere, including socialists and even deep into communists countries--as long as business is viable and remains profitable. Didn't Coca-Cola announce to the world that it was the first in China?

I doubt if businessmen here, both local and foreign, truly fear that they will be swallowed by the left or that the Aquino administration is dominated by the so-called "radicals" in her Cabinet. Perhaps one of the reasons some businessmen are "fed up" or are continuing with their "wait and see" attitude is that the Aquino government, to this day, has not come up with clear-cut policies. The messages being sent out by government are confusing. There is somehow always a babel of voices and theories. And oftentimes, the Aquino government is seen as wanting in decisive action. Important issues are at times not decided when immediate decisions are awaited. And there is that overall feeling that Mrs. Aquino procrastinates too often and too much. Then too, the Good Government Commission's "sequestering" acts are not too reassuring to businessmen.

But do such actions mean that the Aquino government leans toward the left? That the leftists and the "radicals" will be allowed to have an influential voice, through the appointed members of the forthcoming Con-Com?

At the moment, Aquino is seen as a centrist, pushing for a pluralist society and chances are high that she will have a fair representation of the different sectors of society.

But even if she does appoint what may seem to be a generous sprinkling of "leftists and radicals," is this something to be feared? The left will probably bring forth nationalists aspirations. They may push for the dismantling of the U.S. bases in the country. They may push for a pure parliamentary form of government and strive to scrap the two-party system. Are these to be feared?

When the left fights its battle in the open fields of parliament, there is nothing to be afraid of. Filipinos, in the main, are not ready to embrace the communist ideology. Filipinos are not even ready for Western style socialism. They continue to be comfortable with capitalism.

It will be the Filipinos, conservatives, radicals, centrists and leftists who will, in the end, ratify or reject the draft of the new Constitution.

/8309
CSO: 4200/1029

EDITORIAL ENCOURAGES ATTENTION TO RURAL AREAS

HK141601 Manila MANILA BULLETIN in English 14 May 86 p 6

[Editorial: "Rural Development"]

[Text] If only for the fact that a life-or-death struggle is going on in many provinces, the national government should pay more attention to the rural areas. The insurgency may seem remote here in the national capital region but it is a living reality in the provinces. And one cannot truly belittle the rural phenomenon without being reminded that in the case of at least one country--China--the eventual conquest of the nation began and was strengthened in the countryside.

The insurgency is only one of the factors that compel granting more importance to the rural areas at this time. Another is the fact that the rural areas are the primary source of the national wealth and, therefore, of incomes for the majority of the people.

Name any of the major foreign-exchange earners and note that it comes from the rural areas. Ironically, the people in the rural areas are mired in poverty.

It is heartening to note that some agencies under the new administration are beginning to concentrate their lending on the small and medium-scale businesses in the countryside. This is easier done now in the absence of the "behest loans" that in the past were given to a favored few. Spreading the lendable funds to many strengthens entrepreneurship and the confidence in the government.

It may need some inspiration to inject added vigor into rural development. It seems that some government leaders, notably Trade and Industry Minister Jose Concepcion, have been infected with this virus to do more for the countryside, and for this we are glad, for the fate of the nation lies in what happens out there.

/8309
CSO: 4200/1029

STATUS OF SOCIAL SERVICES GOALS REPORTED

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 3

[Article by Romy Tangbawan: "Cory's Target: The Poor"]

[Text]

The "disadvantaged" members of the society now see a brighter future as the Ministry of Social Services and Development is expected to be given a higher priority in President Aquino's government.

Minister Mita Pardo de Tavera said social services were barely felt in the past in far-off communities because of limited resources. This year, MSSD was alloted only P184 million, by the government, not even half a per cent of the national budget.

"With a bigger budget and additional qualified staff," Tavera said, "the ministry will be able to give more livelihood opportunities to needy persons."

She also said the MSSD was geared to provide better protective and rehabilitative services to abused and abandoned children, exploited and neglected women, former political detainees, returnees and other victims of injustice and oppression.

As outlined by Tavera, major programs of her ministry would be focused towards community-based services and projects since the bulk of the poor population are in rural areas.

Rather than give dole-outs, Tavera aims to increase the self-employment assistance program and this will be made more efficient and effective by giving the beneficiaries greater leeway in the decision-making process.

"In the meantime that we have scarce resources, we are strengthening tie-ups with volunteers from the private sector, cause-oriented groups and non-governmental organizations," the minister said.

MSSD has some 13,000 day care centers all over the country to serve about 3 million needy pre-school children a year.

Reports show, however, that many of these day care centers have not been functioning due to lack of funds or support from volunteer groups.

/9317
CSO: 4200/1064

POPULATION GROWS BY 1 MILLION IN 1985

Quezon City ANG PAHAYAGANG MALAYA in English 27 Apr 86 p 2

[Text] Filipinos are projected to count at a little over 56 million by the end of this year or an addition of a million to the 55 million estimated national population in 1985.

The National Census and Statistics Office also reported that over 50 percent of the population will be residing in Luzon.

Using annual population growth data obtained by the 1980 national census, NCSO estimated that residents of the Southern Tagalog region will count at 7,287,385 by end-1986; Metro Manila, 7,147,436; Central Luzon, 5,639,709; Bicol, 4,102,382; Ilocos, 3,956,554; and Cagayan Valley, 2,564,617.

In the case of the Visayas, NCSO said Western Visayas will have a count of 5,207,176; Central Visayas 4,278,191; and Eastern Visayas, 3,128,592.

Numbers for Mindanao are 3,263,614 for Northern Mindanao; 2,928,391, Western Mindanao; and 2,664,892 for Central Mindanao.

NCSO said that the national population today has a yearly growth rate of 2.3 percent compared to 2.7 percent measured in the 1980 census which counted a 48 million population.

Based on the 2.3 percent growth, the agency estimated that Filipinos will number 56,004,130 by the end of this year with the males outnumbering the females at 28.1 million against 27.9 million.

However, NCSO said that Metro Manila and the Ilocos will have females numerically predominating in their respective regional populations. It said Metro Manila females will total 3.7 million and males 3.4 million. In the Ilocos, there will be 1.99 million females against 1.96 million males.

In the other 11 regions, NCSO said males will continue to enjoy the numerical advantage over the females as was the case last year.

Using the medium assumption or estimate, the agency projected the national population to stand at 69.9 million by year 2000 which is just 14 years away. The high estimate gives a 75 million figure.

An assessment made by demographic experts of the Population Commission resulted in the warning that only 70 million people can be "decently" supported by the country's natural resources in terms of self-sufficiency in food and other basic human needs.

Although Filipinos have made some progress in scaling down the annual national population growth 2.3 percent from 3.1 percent in 1960, the high growth rate potential remains because fertility levels are still high, mortality levels are declining and the youthful median age (18 years) of the population the experts pointed out.

"Heavy pressure on high population growth affects all aspects of the country's economy, seriously undermining the country's efforts to provide adequate levels of education, housing, employment, food and health care to its people," Popcom said.

/9317
CSO: 4200/1064

CONSTANTINO ANALYZES NUMBERS ATTENDING RECENT RALLIES

Quezon City ANG PAHAYAGANG MALAYA in English 30 Apr 86 p 4

[Commentary by Renato Constantino: "Political Arithmetic"]

[Text]

While watching the Japanese baseball championship series last year, I was impressed by the huge number of spectators which by Manila calculations would be a million people. I made inquiries about the capacity of the stadium and was told that its total accommodation was only 58,000. This led me to question the sizes of crowds that attended rallies, demonstrations and lately the snap revolution.

Crowd estimates have varied widely depending on the political bias of the writer. A recent KBL rally at the Luneta is a case in point: the Inquirer reported that the crowd was between 8 and 12,000, Newscenter 4 put it at 30,000, while the Tolentino camp claimed 1.2 million!

It is of course difficult to gauge the size of crowds at rallies and demonstrations accurately because they are usually in constant motion. Furthermore, densities vary with respect to distance from center stage. Nevertheless, setting aside partisanship, an attempt at a more objective estimate of crowds for various sites should be made. What follows is a contribution to this effort, for which I acknowledge the assistance of my granddaughter, Marika B. Constantino, a student at the UP College of Architecture.

The determination of crowd density depends on the positions assumed by the people in the crowd. Following are a variety of positions that we believe characterize a typical rally. The average human dimensions are based on accepted architectural standards. ("Time-Saver Standards for Building Types," 2nd edition edited by Joseph de Chiara and John Hancock Callender, McGraw-Hill Book Company)

Position	sq. m./ person	persons/ sq. m.
1) sitting or squatting	0.313	3.19
2) standing, shoulder to shoulder, no space between people	0.125	8.00
3) standing, with elbow room on the sides and with person directly in front	0.232	4.31
4) standing, shoulder to shoulder with elbow room front and back	0.330	3.03
5) standing, shoulder to shoulder with person in front at arms length	0.387	2.58
6) standing, with persons at sides at arms length and with person directly in front	0.440	2.27
7) standing, with elbow room at the sides, front and back	0.640	1.56
Average	0.3524	3.5629

The discrepancy in the correlation of the foregoing average figures is due to the rounding-off of decimals. In any case, such discrepancies shall be utilized for purposes of this attempt to project high and low crowd estimates.

Assuming the above data to be fairly accurate, we tried to determine the number of people that could be accommodated in various rally and demonstration sites. We utilized Philippines Map Co., Inc.'s "Metro Manila Street Directory," 3rd edition to determine the areas of the subject sites.

It must be noted that, unless specifically excluded, all obstacles such as monuments, buildings, trees, fountains, posts, etc. are considered part of the occupiable area. The area occupied by cars and other vehicles is likewise considered to be occupied by persons.

Site	High	Low
1) Luneta : 206,000 sq.m. from the Quirino Grandstand up to Taft Ave. bounded by South Blvd. & T.M. Kalaw on the south, and Katigbak & P. Burgos on the North (excluding the Finance & Agriculture Buildings)	733,957	584,563
2) Liwasang Bonifacio: 11,250 sq.m. from the Post Office Building to the area bounded by the roads leading to the Jones and MacArthur Bridges	40,083	31,924
3) Ugarte Field: 52,000 sq.m. bounded by Ayala Ave., Paseo de Roxas and Makati Ave., plus 10 meters into adjacent sidestreets (excluding the areas occupied by the Makati Stock Exchange Building and Nielsen Tower	185,271	147,560

4) **EDSA**: 175,000 sq.m. from Aurora Blvd. in the north to Ortigas Ave. in the south including Santolan Rd. and Katipunan Ave. surrounding Camp Aguinaldo and all islands and service roads plus 10 meters into adjacent sidestreets	623,507	496,594

These figures are of course estimates based on certain assumptions which have been generalized for all locations. For the benefit of those who would naturally find these estimates to be rather on the low side, I asked my granddaughter to estimate what would be the capacity crowd of Luneta if everyone were packed like sardines, with only enough space to breathe and no movement possible (8 persons per square meter). The figure she gave me was 1,648,000!

This is a very far cry from the 5 to 6 million that has been accepted as fact by most elements of the victorious opposition. As for the Tolentino estimate of 1.2 million mentioned earlier, this too is a gross exaggeration since pictures showed that the people were certainly not packed like sardines and did not fill the entire Luneta area.

Inasmuch as the figures for EDSA given above are the number that could have been there at any one time, they must be adjusted on the basis of the average number of hours spent there by those who constituted people power from Feb. 22 to 25 if we want to make an educated guess as to the number of people involved. For example, if each partisan spent an average of six hours along EDSA during the peak twenty-four hour period, then the estimated number of bodies who went in and out of the area would range from 1,986,376 to 2,494,028.

These estimates are not intended to be the last word on the subject. They are offered as a starting point for more serious and accurate studies so that all groups may have a more realistic gauge of their drawing power and public perception may not be manipulated by inflated claims.

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CSO: 4200/1064

MILITARY LAUNCHES HUNT FOR RELIGIOUS CULT MEMBERS

HK131550 Hong Kong AFP in English 1522 GMT 13 May 86

[Text] Cagayan de Oro, Philippines, May 13 (AFP)--Military authorities here Tuesday ordered a manhunt for members of an anti-communist religious cult suspected of involvement in a series of gory murders in a southern city.

The killings around nearby Cingoog city, some 750 kilometers (450 miles) southeast of Manila, were believed to have been carried out by members of the 300-strong "Sagrado Corazon de Jesus" cut [as printed], Brigadier General Mariano Adalem said.

The cult, also known as the "Tadtad" [chop-chop], roam the rural villages in this region in the north of Mindanao Island, in search of communist New People's Army (NPA) guerrillas and sympathizers whom they hack to death with long knives.

The Tadtad killed a male resident of a village near Gingoog Saturday, after which they gouged out his liver and ate it, Brig. Gen. Adalem, the military chief of the region, told reporters here.

He said the killing caused the evacuation of four villages.

Philippine human rights groups have alleged that the Tadtad and more than a dozen similar cults were funded and armed by the military under the regime of deposed President Ferdinand Marcos.

Brig. Gen. Adalem said the Tadtad, led by a former policeman and five deserters from the local militia, were also the prime suspects in the murder of a local politician, his wife and a 13-year-old son two years ago.

Renato Bucag, a ward leader of Local Government Minister Aquilino pimentel--then opposition politician--sustained 1[illegible] gunshot wounds and knife wounds to the body in one of the more publicized cases involving the group.

Mr. Bucaq's wife was shot 12 times and her breasts and ears were cut off while their son was cut to pieces by the fanatics.

Brig. Gen. Adalem, the concurrent commander of an army division based here, said only 50 members of the cult were armed with homemade rifles, shotguns, and several U.S.-made Armalite automatic rifles which were retained by the police and militia deserters in the group.

/3309
CSO: 4200/1029

BRIEFS

LAUREL TOKYO VISIT--Vice President and Foreign Minister Salvador Laurel denied that he will seek to recover Philippine properties in Japan during his forthcoming visit to Tokyo. Full detail from Marilou Linggad: [Begin Linggad recording] Laurel's announcement was in response to speculation that the purpose of his visit to Japan is to claim Philippine properties worth $100 million. Laurel clarified that his mission to Japan was to secure additional assistance for the Philippine economic recovery program. [end recording] [Excerpt] [Quezon City Radyo ng Bayan in Tagalog 1000 GMT 16 May 86 HK] /9274

WARNING AGAINST MARCOS RETURN--Military leaders of the MNLF have assured that they will not allow former President Marcos to leave Mindanao alive if he should attempt to return to the country via the south. The assurance was made by [name indistinct], head of the defense command of the Bangsa Moro Army of the MNLF. Other details from Jojo Ismael. [Begin Ismael recording] [Name indistinct] explained that Marcos is an enemy of the Muslim people. Under his rule, some 100,000 lives were lost and 200,000 became refugees in Sabah, Malaysia. [passage indistinct] He also said that the MNLF hopes that the new government will not repeat the crimes of the Marcos administration. He admitted that the new government and the MNLF are currently taking steps to restore peace in Mindanao. [end recording] [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 16 May 86 HK] /9274

PROBE OF CORRUPT MILITARY--The armed forces antigraft and corrupt practices board will meet on Tuesday to present the first list of military officials to be investigated in connection with charges against them of hidden wealth. According to a report from Camp Aguinaldo, included in the list are former AFP [Armed Forces of the Philippines] chief General Fabian Ver and other generals. A member of the antigraft body said the names of the other officials will be made public in due time. Many generals serving the former Marcos government were said to have received over P5,000 each month and built themselves large houses and invested in various large corporations. [Text] [Quezon City Radyo ng Bayan in Tagalog 0400 GMT 17 May 86 HK] /9274

U.S. AIRBASE EXTRA LAND EYED--Angeles City Mayor Francisco Nepumuceno is urging President Aquino to take over the 5,000-hectare supplementary land used by Clark Airbase as a military reservation. Nepumuceno says the land can be used by government people in need of housing and by members of the armed forces as well as by rebel returnees. The Angeles Mayor further suggested that the area be planted with ipil-ipil [fast-growing native tree -- FBIS] and used for self-help projects. [Text] [Quezon City Radyo ng Bayan in Tagalog 0700 GMT 13 May 86 HK]

SECURITY TO GOLDPANNERS--Natural Resources Minister Ernesto Maceda has reached an agreement with officials of the armed forces headed by Brigadier General Rafael Crisol and Brigadier General (Fidel Sison) to beef up security for some 100,000 goldpanners in Davao del Norte. The agreement was reached following a meeting which set up a task force to provide protection to the planners against attacks from subversive elements and the MNLF. Reports said that the NPA has a firm control of remote areas in Davao del Norte. [Text] [Dagupan City DZDL in Tagalog 0445 GMT 16 May 86 HK] /9274

EMBASSIES TO BOOST EXPORTS--All Philippine embassies abroad will be used in the government's drive to boost the promotion of Philippine export products. This was declared by Deputy Foreign Minister Leticia Shahani in a speech to the members of the Confederation of Philippine Exporters of [word indistinct] at the Century Park Hotel. Mrs Shahani outlined the government's goals and urged producers to upgrade the quality of their export products. She said she hopes the new government will keep Philippine trade commissioners in their posts, especially in countries like the United States and around Asia, so they can intensify efforts to promote Philippine products. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0300 GMT 17 May 86 HK] /6662

14TH REGION IDEA UNDER STUDY--The authorities are studying a proposal to create the country's fourteenth region to be comprised of the provinces of Benguet, Ifugao, Mountain Province and Kalinga-Apayao. The proposal was first made to former President Marcos and is now being presented to President Aquino for her decision. Leaders of the provinces of the new proposed grouping say such an integration will foster a more efficient administration of the region. The proposal, which is 10 years old, will include the cordillera area. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0700 GMT 19 May 86 HK] /6662

BACKGROUND CHECKS ON COMMISSION NOMINEES--The National Bureau of Investigation will carry out background checks on all the nominees for the 1986 Constitutional Commission. This is being done in accordance with President Aquino's directive to ensure that the nominees do not have any unfavorable records. The president will give the final approval for the composition of the commission on 25 May, and the body is scheduled to begin its sessions on 2 June. [Text] [Quezon City Radyo Ng Bayan in Tagalog 0400 GMT 20 May 86 HK] /6662

ENRILE AT PEACE, ORDER COUNCIL--The insurgency will be the central topic of the Peace-and-Order Council [PDC] meeting in Zamboanga City today. Defense Minister Juan Ponce Enrile will be the guest of honor. According to Chairman Sali Wali, head of the POC, topics to be discussed will be the question of regional autonomous government and teh New People's Army which constitutes the biggest threat to the stability of the province. He added that extensive recruitment and other activities of the rebels are the foremost problems of the Peace-and-Order Council. [Text] [Dagupan City DZDL Radio in Tagalog 0445 GMT 16 May 86 HK] /9274

INCREASED NPA ACTIVITY--Iba, Zambales--Col Virtus Gil, Zambales Constabulary and police commander, has issued alert orders to local military and police commanders in the wake of escalated activities by the New People's Army which is now believed to be operating in six out of 13 municipalities here. In an interview with NEWS HERALD, Gil cited two separate incidents which resulted in the killing of George Solovioss, a baranggay captain of baranggay Baloganow, Masinloc, northern Zambales, also working as a militiamen, and one Herminigildo Tumbaga, a military intelligence agent assigned here. Tumbaga's campanion, Pio Muyca, reportedly suffered serious gunshot wounds and is now confined at the provincial hospital here. Gil also disclosed the reactivation and strengthening of the rebel groups particularly in the mining sites of Benguet Consolidated, Goto mines and Acoje mines all located in this province. The military believed that at present, there are at least 600 leftwing members actively roaming around in the rural areas. Gil however, is holding an all-out war against the terrorists so as not to distract the reconciliation move of the present administration. [Text] [Manila THE NEWS HERALD in English 13 May 86 p 11] /8309

MARCOS' WEDDING ANNIVERSARY FETE--An estimated 4,000 Filipinos were said to be on hand to help former President Marcos and his wife celebrate their 32d wedding anniversary in Honolulu yesterday. At the said occasion, Mr Marcos called on Filipinos to avoid bloodshed which might usher in civil war in the country. The couple's visitors included well-known singers and actors from the country. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 12 May 86 HK]

MARINES DEPLOYED IN PALAWAN--A platoon of Philippine Marines has been deployed in Bugsuk Island and in surrounding islands in Southern Palawan, to secure and protect them from any Moro National Liberation Front (MNLF) attacks. This was learned by Commodore Serapio C. Martillano, AFP [Armed Forces of the Philippines] flag officer in command of the Philippine Navy [PN], during a briefing given by Commodore Serapio T. Taccad, AFP, commander, Western Command (Wescom), in the course of the former's two-day command visit to PN units in Palawan, including Marine elements in Bugsuk. The island of Bugsuk, which is in the process of sequestration, has been under threat of attack from the MNLF. The Wescom chief swiftly moved to protect the people in the island. Commodore Taccad deployed the marines in coordination with the island's resident manager, Oscar Libunao who is an agricultural engineer, and the local populace, who welcomed the move. [Text] [Manila MANILA BULLETIN in English 14 May 86 p 4] /8309

CSO: 4211/53

HEALTH GROUP RAPS U.S. OVER DRUG EXPORTS TO THIRD WORLD

BK170355 Bangkok BANGKOK POST in English 17 May 86 p 1

[Text] Thailand needs effective measures to stop the influx of foreign drugs, medical scientists said yesterday.

Dr Chanphen Wiwat of the Coordinating Committee for Primary Health Care, and pharmacists Miss Samli Chaidi, said a wide variety of drugs are being imported freely into this country and nothing can stop them.

The two women said that although the Thai Food and Drug Administration occasionally ran a check on imported drugs, the agency was concentrating mainly on identifying the types of drugs rather than looking at the danger they might bring.

Dr Champhen and Miss Samli said many U.S.-made drugs which were not approved by the U.S. Food and Drug Administration are available in Thailand.

They said most of these drugs were products of American subsidiary firms operating outside the United States.

They cited as examples medicine such as Kipyrone, the anti-diarrhea drug Clioquinol and Streptomycin. These, they said, have been banned in the United States but are on sale here.

They said Dipyrone and Clioquinol are made by U.S. subsidiary companies in Malaysia and Pakistan, respectively.

Dr Chanphen and Miss Samli were speaking after the coordinating committee and the Drug Study Group had jointly presented a letter to the U.S. Embassy protesting against Senate legislation which approves the export of untested U.S. drugs to the Third World.

The letter urged President Reagan and the U.S. House of Representatives to reject the bill.

The letter denounced the Senate-approved bill as "a serious infringement of human rights." It said that while American bans the sale of such drugs at home, it permits these drugs to be sold abroad.

The letter accused the U.S. Government of selfishly trying to protect its citizens and sacrificing the lives of those in other countries.

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CSO: 4200/1042

GOVERNMENT TO CONSIDER U.S. REQUEST ON COPYRIGHTS

BK160408 Bangkok THE NATION in English 16 May 86 p 17

[Excerpts] Thailand yesterday agreed to consider a request from a high-level U.S. delegation to look into the possibility of amending the Copyrights Law to protect U.S. intellectual property rights here, said a senior Foreign Ministry official.

The Thai Copyrights Law of 1978 provides protection to products of the countries which are signatories to the Berne Convention. The United States is not a member to the convention.

Deputy Director General of the Economic Department Kasit Phirom said that if the United States joins the Berne Convention, American products will automatically come under protection of the Thai Copyrights Law.

The deputy direction general said the discussion with the U.S. team was very productive and that Thailand "has done a very good job in explaining the Thai position." The meeting covered a wide range of subjects related to the Generalized System of Preferences (GSP) and market access to products from Thailand to the United States and vice versa as well as protection of the U.S. intellectual property.

The U.S. delegation was led by Ms Gordanna Slijepevic of the Office of the Special Trade Representative; Mr Lyle Sebranek of the U.S. Department of Agriculture; Mr Dieter Hoinkes, U.S. Patent and Trademark Office, Department of Commerce; Mr Cris Meyer, Library of Congress, Copyright Office and Mr Jeff Hardee, U.S. Department of Commerce.

The U.S. side yesterday stressed the importance of the protection of intellectual property rights including copyrights, patents, and trademarks. Kasit said that the U.S. team also called for strict enforcement of relevant laws to protect American interests here.

On the question of patent, Kasit said that the protection of the U.S. pharmaceutical products was focused on the 20 percent of valid pharmaceutical patents. About 80 percent of the current patents here have expired, he said.

Since more than 90 percent of pharmaceutical ingredients used to produce drugs are imported, the Thai law already protects the manufacturing process, he said, adding that the United States could seek patent protection in countries which produce raw materials for pharmaceutical products.

The U.S. side warned that without proper protection on the drugs' patent the U.S. drug companies would not introduce new drugs into the Thai market for fear that they would be imitated and at the same time it would discourage extensive research on new drugs to cure tropical diseases.

Furthermore, Kasit said that the U.S. delegation also wants to see protection for items such as computer software and limit the public performance right regarding cinematographic work. "They want severe penalties as deterrent to enforce the rights guaranteed by law," Kasit said.

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CSO: 4200/1042

EAST SEABOARD DECISIONS LEFT TO NEW GOVERNMENT

BK160514 Bangkok BANGKOK POST in English 16 May 86 p 11

[Text] Prime Minister Prem Tinsulanon has decided to leave all policy decisions regarding the eastern seaboard projects to the new government taking up office after the 27 July general elections, a cabinet source told BANGKOK POST yesterday.

The source said a number of factors were behind the decision.

He said General Prem believed that if the present caretaker government decided to proceed with the projects now when the country's economy is improving, with the participation of many local and foreign private companies, and they turned out to be successful, the economy would benefit greatly.

But he added that Gen Prem feared that if the current government decided to implement the projects with very small participation by the private sector, they would likely fail, resulting in added burden for the new government.

The source, also a member of the Eastern Seaboard Development Committee [ESDC] also said the national fertiliser project, one of the eastern seaboard projects, is still plagued with many problems which have delayed its implementation.

He said that Gen Prem, having taken the delayed fertiliser project into consideration, decided to leave all policy decisions regarding these projects to the new government.

The source added that the ESDC is scheduled to hold its last meeting early next month to clear some minor details and problems, without touching on any major policy concerning the projects.

But he expressed disappointment at the delay in the implementation of the multi-billion-dollar "masterpiece" projects: the construction of two deep-sea ports in Laem Chabang and Map Ta Phut, the industrial estate, national fertiliser and petrochemical complexes.

The source also said that if Gen Prem becomes prime minister again after the general elections, he expects all the projects to go ahead as scheduled as the Council of Economic Ministers has already approved their implementation.

So far, the government has made quite a substantial investment in laying the groundwork for these projects but their construction has not started yet.

Eastern Seaboard Development Office Director Dr Sawit Phothiwihak, described as a hard pusher of the major projects, recently said several hundred million baht had been put into the projects.

The implementation of the eastern seaboard projects was strongly criticised by various circles, including the prime minister's economic adviser who said the projects, which involve massive investments, would push up the country's external borrowings to a dangerous level and the country would suffer greatly if these projects fail.

/12232
CSO: 4200/1042

REPORTAGE ON VISIT BY ITALIAN FOREIGN MINISTER ANDREOTTI

Meets with Prem, Sitthi

BK091438 Bangkok Voice of Free Asia in English 1500 GMT 8 May 86

[Text] Italian Foreign Minister Guilio Andreotti said yesterday the ASEAN memorandum submitted to Japanese Prime Minister Yasuhiro Nakasone was received with great interest by the seven industrialized nations at the Tokyo summit.

The Italian foreign minister, who arrived in Bangkok from Tokyo yesterday, today called on Acting Prime Minister General Prem Tinsulanon and Acting Deputy Prime Minister and Foreign Minister Air Chief Marshal Sitthi Sawetsila. Mr Andreotti reportedly said he came to Thailand to celebrate the centennial of the establishment of diplomatic relations with Italy and also to discuss and exchange views on bilateral and international relations. Mr Andreotti also signed three memoranda of understanding concerning Italian Government assistance to three Thai development projects.

Signs Agreement, Pledges Aid

BK100925 Bangkok Domestic Service in English 0000 GMT 10 May 86

[Text] Italy and Thailand have agreed to expand bilateral trade relations. The agreement was reached during a meeting between Prime Minister Prem Tinsulanon and Italian Foreign Minister Giulid Andreotti at Government House on Thursday. Mr Andreotti arrived in Thailand on Tuesday night for a 2-day visit. Apart from trade, Italy also pledged to promote Italian investment in Thailand and to cooperate with the Third World countries in providing assistance to Thailand. The Italian foreign minister also told Prime Minister Prem that Italy will try to persuade member countries of the European Community to increase tapioca export quota for Thailand.

During the visit, Mr Andreotti also signed a memorandum of understanding on technical cooperation, under which Italy will increase the availability of Italian technology and know-how in Thailand.

/12232
CSO: 4200/1042

NEW ZEALAND'S LANGE TO VISIT MANILA, BANGKOK

BK140419 Bangkok THE NATION in English 14 May 86 p 3

[Text] New Zealand's Prime Minister David Lange will pay a 2-day official visit to Thailand late next month to strengthen bilateral relations.

An official of the New Zealand Embassy said that Lange will visit 28-30 June.

He said that Lange will lead a delegation to the post-ASEAN foreign ministers meeting in Manila, to be held 26-28 June.

The meeting between ASEAN foreign ministers and ministers from the group's dialouge partners will follow the ASEAN foreign ministerial conference. New Zealand is a dialogue partner of ASEAN.

New Zealand has regularly contributed humanitarian aid to Kampuchean refugees inside Thailand.

Commenting on the eight-point peace plan proposed by the Coalition Government of Democratic Kampuchea, Lange said that the proposal was a useful step in the right direction, according to an embassy press release. He said that the peace plan contained two fundamental requirements: that all foreign troops withdraw and self-determination for the Kampuchean people.

"It is ironic that the Vietnamese have rejected the CGDK proposal as an attempt by the Kampucheans to develop a framework for bringing this conflict with Vietnam to an end.

After his visit to Thailand, Lange will visit Australia, where he will open a new consulate in Adelaide.

Meanwhile, Son Sann, the president of the Khmer People's National Liberation Front, completed his 4-day visit to New Zealand. Son Sann also visited Australia to ask for more humanitarian aid and support for the peace plan. Lange said the nationalist leader would be an important figure in the evolution of a peaceful settlement in Kampuchea.

/12232
CSO: 4200/1042

LABOR DEPARTMENT LIFTS BAN ON WORKERS GOING TO LIBYA

BK170507 Bangkok THE NATION in English 17 May 86 p 3

[Text] The Labor Department has lifted a ban on the export of Thai workers to Libya, which was imposed after the U.S. air attack against that country last month.

The Overseas Labour Administration Office said yesterday that the department had allowed job placement agencies to resume sending Thai labourers to Libya under certain conditions, after the situation in that country returned to normal.

Those conditions, it said, include assurances that the workers will be sent to work in areas far from potential fighting sites and that employers have an evacuation plan in time of emergency, and a guarantee by employers to provide transportation for Thai employees to return home if the situation becomes unfavourable.

There are currently 19 job placement agencies which export workers to Libya.

The Labour Department in the middle of April urged the immigration authorities at Don Muang Airport to halt Thai workers going to Libya after the United States had launched air raids on cities in that oil-rich country.

About 30,000 Thais reportedly work in that country. Most of them are employed in construction work outside Tripoli--one of the targets attacked by American warplanes.

The Overseas Labour Administration Office, meanwhile, said Singapore authorities would start getting tough with Thai workers illegally entering the country as well as those working there without work permits.

It said violators would be arrested and might face harsh punishment.

A number of Thai labourers, according to the office, had been deceived by illegal job placement firms which arrange their entry into the island country as tourists without visas, entitled to only 2-week stays.

The office also said that some illegal job placement agencies had lured Thai workers to work in France. It added that the labourers had been sent to work in a small garment factory for extremely low wages.

/12232
CSO: 4200/1042

SHELLING FROM BURMA CAUSES INJURIES ON BORDER

BK151000 Bangkok BANGKOK WORLD in English 15 May 86 p 3

[Text] Tak--Four Thai villagers were seriously wounded when mortar shells fired by Burmese troops at Karen rebels landed near the border in Tha Song Yang District yesterday, an informed police source told the WORLD this morning.

Apart from the Thai injuries, 15 Karens were also wounded in the fighting which intensified early yesterday morning after periodic fighting a few days ago.

The source said that four Burmese shells landed at the Tha Song Yang border about 9:45 am causing damage to a house and wounding Bandit China, 15, Mrs Buachan Sirat, 59, Khao Sabung, 53, and Mrs Bunsri Sitthiwet, 43.

They were admitted to Mae Sot District Hospital for medical treatment.

The source said that Burmese troops and Karen rebels engaged in fighting around the Karens' Maw Po Kay and Tikorni camps, opposite Tha Song Yang District, a few days ago and the battle intensified yesterday.

The Karens suffered 15 injured, the source said, adding that unconfirmed reports indicated that many Karen soldiers were also killed.

The source denied a report that the Karens' Pa Lu camp had been overrun by Burmese troops. Fighting was still raging there, he said.

Thai border forces had been placed on full alert as the fighting intensified.

/12232
CSO: 4200/1042

THAI NAVY INCREASES PATROLS TO CHECK SOVIET SUB

BK120724 Hong Kong AFP in English 0705 GMT 12 May 86

[Text] Bangkok, 12 May (AFP)--The Thai Navy has stepped up sea patrols to check reports from Thai fishermen that a Soviet submarine was cruising with Vietnamese warships in the Gulf of Thailand, a navy spokesman said here Monday.

Rear Admiral Dilok Phatthanakoson said in a telephone interview that according to Thai fishermen, a Soviet submarine and seven Vietnamese patrol boats had for the past 2 months been sailing near Kong Island, 30 miles (25 miles) off the southernmost tip of the Thai-Cambodian border.

The official declined to comment on a press report that the Soviet and Vietnamese vessels were trying to prevent Thai fishermen helping Vietnamese boat people drifting in the gulf.

Several fishermen from Thailand's eastern border provinces of Trat and Chanthaburi have been detained in Vietnam and their trawlers confiscated for allegedly encroaching upon Vietnamese territorial waters.

The Thai language newspaper FRONTLINE [NAEO NA] Monday quoted an official of the Eastern Border Task Force as saying that Hanoi had denounced Thai fishermen for charging two bars of gold or 10,000 baht (384 U.S. dollars) per boat person rescued.

Representatives from the Thai Fishermen's Association were unavailable for comment.

Admiral Dilok said the fishermen's reports had prompted the navy to increase its assignments in guarding territorial waters but gave no further details.

He said it was not unusual for Soviet submarines or Vietnamese boats to cruise in the Gulf of Thailand from the Cambodian harbour of Kompong Som.

These ships have in the past monitored joint Thai-U.S. military exercises or visited Thai oil platforms in the gulf.

/12232
CSO: 4200/1042

SPOKESMAN ON AMNESTY'S CALL FOR TORTURE CASE PROBE

BK130802 Bangkok BANKGOK WORLD in English 13 May 86 p 32

[Text] Thailand has denounced as interference Amnesty International's (A.I.) call on the Thai Government to investigate the alleged torture of three Kampucheans by Thai border officials last March.

Foreign Ministry Spokesman Sawanit Khongsiri said A.I.'s call marked an interference in Thialand's domestic affairs and he did not believe any sovereign state would comply with such pressure.

Colonel Prasat Thankham, deputy commander of the Burapha Task Force responsible for Thai security on the Kampuchean border, said he was not aware that any Kampuchean bandit captured on 17 March had been tortured as alleged.

The comments followed a REUTERS dispatch from London which quoted an A.I. spokeswoman saying that three Kampucheans had been reported tortured and four detained in retaliation for the bandit killing of a security official and the wounding of another on that day.

In an interview with the Voice of America, Col Prasat said one Thai ranger was killed and another wounded by RPC rocketfire on 17 May when they clashed with a group of about 10 Kampuchean bandits who had attacked refugees at Site 7 near Khao I-Dang. Some bandits fled the scene with their loot but some were captured and are now being detained to stand trial in the criminal court under Thai law, he said.

A.I. has no right to interfer with Thai jurisdiction, he said. Bandits have robbed, killed and raped not only unarmed Kampuchean refugees but also Thai border villagers, he pointed out.

/12232
CSO: 4200/1042

GOVERNMENT TO LIMIT NUMBER OF MISSIONARIES

BK190225 Bangkok THE NATION in English 19 May 86 p 3

[Text] The government is trying to limit the number of foreign missionaries in the country and will allow only "necessary" members of various religious groups to stay, Deputy Education Minister Samphan Thongsamak said.

Samphan said the Religious Affairs Department hopes to bring down their number by 10 percent yearly by not extending their non-immigrant visas.

The government began taking steps in that direction last year and the measures will stay in force until only "necessary" members of each group are left, he said.

The ministry had to limit the missionaries since the number of foreigners who come here on religious missions is increasing, said Samphan, adding that the department's officials would not be able to thoroughly monitor their activities if their number keeps on growing.

He said Thai authorities have consulted with heads of major foreign organizations whose religious establishments are recognized by the department and there was agreement that their numbers should be restricted.

The department asked heads of these principal organizations to consider whether sects that break away from their parent groups should be allowed to preach here.

Apart from Buddhism, there are four other religions which are recognized by the government: Islam, Hinduism, Christianity and Sikhism.

According to Samphan, there are nine organizations of the four religions which the government recognizes as principal bodies: the Buddhist Association of Thailand, Central Islamic Committee of Thailand, Catholic Association of Thailand, the Church of Christ in Thailand, the Evangelical Fellowship of Thailand, Thewa Sathan Bot Phram (of Hindu mission), Hindu Samag, Hindu Dharma Sabha, and Siri Guru Singh Sabha belonging to the Sikhs.

The department also acknowledges four other establishments as special religious institutions: Office of Chula Ratchamonti, Apostolic Nunciature of the Holy See, the Catholic Mission of Bangkok, and the World Fellowship of Buddhists.

Two foundations, the Foreign Mission Board and Seventh-Day Adventists, are recognized as outgrowth of Christianity.

The deputy education minister said several other religious groups were seeking legitimate status from the department so they can institutionally preach their teachings here and their missionaries can have their visas extended.

However, he said the department has discussed with the principal bodies and they concluded that the teachings of these groups contradict theirs and those of other sects in the same religion.

He said members of these illegitimate sects most came into the country as tourists and some were introduced here by Thai expatriates.

All foreign religious groups officially permitted to preach here are governed by the 1981 regulation of the Religious Affairs Department which rules that their activities must not be against Thai law and culture, he said.

Although they are not recognized by the Thai authorities, these illegitimate religious groups continue to be active nationwide. Samphan, however, said the department could not take drastic steps to prevent their activities since Thai people have the freedom of religion.

He said foreign missionaries are good at making their ways into the country. "When their visas expire and they cannot get extention, they go to nearby countries and re-enter Thailand as tourists."

/12232
CSO: 4200/1042

BRIEFS

PREM MEETS BURMESE MINISTER--During talks with Burmese Minister U Ye Gaung, General Prem discussed trade and border issues and efforts to combat drug trafficking. Gen Prem also expressed appreciation following Her Royal Highness Princess Maha Chakkri Sirinthon's visit to Burma last month and regret that Burmese Prime Minister U Maung Maung Kha's visit to Thailand would be postponed until after the July general election. [Excerpts] [Bangkok BANGKOK POST in English 9 May 86 p 5 BK] /12232

GUERRILLA AMBUSH--Chiang Rai--Four people, including two forestry workers, were killed in an ambush by a group of gunmen believed to be guerrillas of the Shan United Army (SUA) of drug kingpin Khun Sa yesterday morning, police said. Another three persons were also wounded in the attack near the Thai-Burmese border in Mae Ai District. They were riding in a Land-Rover on their way to a hilltribe development centre on Doi Phu Muan, about 10 km from the border, when they ran into an ambush. Two of those killed were identified as Prasit Bunklang and Mrs Amphai Saengsurin, both employees of the Forestry Department. The other two were Chachu, the headman of a Muser hilltribe village, and Sombun, a farm worker. Six gunmen, all wearing black and green, took part in the ambush, according to witnesses. They were reportedly armed with M-16 rifles and carbines. Police said the gunmen were believed to be guerrillas of the SUA who have been clashing with the Muser hilltribe people. They said the chief of Mae Ai District and some senior local officials were to have passed the same route shortly after the ambush to open an agricultural training course for the mountain people. [Text] [Bangkok THE NATION in English 16 May 86 p 3 BK] /12232

CSO: 4200/1042

CPSU LECTURERS CONCLUDE PHNOM PENH VISIT

BK131228 Phnom Penh SPK in English 1108 GMT 13 May 86

[Text] Phnom Penh SPK 13 May--A group of lecturers of the Communist Party of the Soviet Union Central Committee left Phnom Penh yesterday morning after a 2-week long official friendship visit to Kampuchea.

The group led by Bourtiak Grigoriy, first secretary of Vinitsa region party committee of the Soviet Socialist Republic of Ukraine, was seen off at the Pochentong Airport by Nim Thot, vice president of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee; and Vsevolod Galitskiy, first secretary of the Soviet Embassy to Kampuchea.

While in Kampuchea, the delegation was cordially received by Khoy Khunhuor, member of the PRPK Central Committee and vice president of its Commission for Propaganda and Education.

The group gave lectures on the results of the 27th CPSU Congress to cadres of various services and ministries in Phnom Penh and Kandal Province. It also attended a meeting marking the centenary of the International Labour Day (1 May) and visited the Tuol Sleng Museum of Genocide, the National Museum, the former Royal Palace in Phnom Penh City, and the Angkor Wat Temple in Siem Reap-odder Meanchey Province.

/12232
CSO: 4200/1043

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK REPORTS ON BORDER VIOLATIONS BY THAIS, REACTIONARIES

Week Ending 1 May

BK091245 Phnom Penh SPK in English 1110 GMT 9 May 86

[Text] Phnom Penh SPK 9 May--During the week ending 1 May, Thai aircraft of L-19 and A-37 types and helicopters 21 times overflew the Kampuchean-Thai-Lao border intersection, Yeang Dangkum, Poipet, Malai and other places along the Kampuchean-Thai border from 1 to 5 kilometers inside Kampuchean airspace.

On sea, Thai armed vessels made 209 intrusions into Kampuchean waters from 5 to 35 miles off Kaoh Kong, Kaoh Tang and Poulowai Islands. On land, in the same period, several groups of Khmer reactionaries infiltrated from Thailand into Kampuchean territory for sabotage activities. The local armed forces, in close cooperation with Vietnamese Army volunteers, put 219 intruders out of action including 110 deaths 25 captures and 84 surrenderers; 109 weapons and a quantity of ammunition were seized.

First Week in May

BK161222 Phnom Penh SPK in English 1113 GMT 16 May 86

[Text] Phnom Penh SPK 16 May--In the first week of May, Thai aircraft of the L-10, A-37 and F-5 types eight times overflew the areas of northern Preah Vihear, Anlung Veng, Ampil, Yeang Dangkum, Poipet, Road 56, hills 329 and 277, and northern Koh Kong.

On 30 April, a Thai A-37 made a reconnaissance flight deep inside the Kampuchean airspace north of Anlung Veng from 8-10 km. On sea, Thai armed vessels made 221 intrusions into Kampuchean waters from 4-30 miles off Kaoh Kong and Kaoh Tang Islands.

In the same period, groups of Khmer reactionaries from Thai soil intruded into Kampuchea, but they were duly punished by the local armed forces. Two hundred and seventeen intruders were put out of action, including 109 deads, 64 surrenderers and 44 prisoners, and 88 rifles and a quantity of ammunition were seized.

/12232
CSO: 4200/1043

BRIEFS

FINANCE MINISTRY MEETING--Phnom Penh SPK, 12 May--The Ministry of Finance has held a 3-day conference to review its work in 1985 and set new tasks for this year. A report at the meeting showed that last year's national revenues increased by 12 percent over the yearly target and the network of bank services has been expanded, helping increase the industrial investment by threefold. Speaking at the closing session, Chea Soth, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and vice premier, urged the participants to do their best to implement the tasks set for this year. The meeting awarded a rotary banner of the Council of Ministers to the financial and banking service of Battambang Province. Nine other banners were given to other services under the ministry, and a number of certificates of merit to units and individuals for their outstanding work in emulation movements. [Text] [Phnom Penh SPK in English 1115 GMT 12 May 86 BK] /12232

NATIONAL DAY GREETINGS--Phnom Penh SPK, 9 May--Chea Sim, Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of the National Assembly, has greeted his Czechoslovak counterpart, Alois Indra, on the 41st National Day of the Czechoslovak Socialist Republic (9 May). In his message to Alois Indra, Politburo member of the Central Committee of the Communist Party of Czechoslovakia and chairman of the Federal National Assembly, Chairman Chea Sim says: We have followed with great attention and highly praised the great achievements recorded in national construction and defence by the Czechoslovak people in the past 41 years under the correct leadership of the Communist Party of Czechoslovakia with General Secretary Gustav Husak at the head. "We wish to express our sincere and profound thanks to the party, the state and the people of Czechoslovakia for their precious support and assistance to the Kampuchean people's national construction and defence" he concluded. [Text] [Phnom Penh SPK in English 1103 GMT 9 May 86] /12232

CSO: 4200/1043

EDITORIAL ADVOCATES PROPER TRAINING, USE OF RETURNING SOLDIERS

Hanoi QUAN DOI NHAN DAN in Vietnamese 9 Apr 86 pp 1, 4

[Editorial: "Training and Use of Demobilized and Discharged Military Personnel"]

[Text] In the wars of national liberation and protection of the fatherland, millions of youths have enthusiastically departed for combat. After completing their military obligations, hundreds of thousands of military personnel have returned home for production and work. At the present time, in accordance with the military draft law, tens of thousands of youths join the service each year and tens of thousands of others also complete their military obligations and return home. This is a young labor force, educated, trained and challenged through combat and work with a concept of high discipline organization. The majority of this force is young and healthy with high cultural standards and an understanding of many trades and specialities. Therefore, the proper elementary and advanced training and use of the force of demobilized and discharged military personnel returning to the local area is a task of profound political significance that assists in stimulating production development and the maintenance of security and social order.

During the past few years, many local areas in the country have considered demobilized and discharged military personnel as a key force in the revolutionary movements of the masses. These ranks are present in nearly all sectors, echelons, agencies and production units. In the heavy industrial production area, demobilized and discharged military personnel account for 15 to 20 percent of the labor forces. On the agricultural production front, they account for 35 percent of the young labor force and are responsible for many aspects of the work in the party committee and administrative echelons and the cooperative management boards. Especially on the security and social order maintenance front and in the construction of self-defense and militia forces, demobilized and discharged military personnel play a key role in all localities. Many local areas have emphasized the elementary and advanced training of demobilized and discharged military personnel to become cadres with outstanding professional standards. Hanoi City, Ho Chi Minh City, Quang Nam-Da Nang Province, Thai Binh Province, etc. have actively coordinated with sectors and echelons to delineate priority for their elementary and advanced training and to arrange jobs in agencies and enterprises. Many localities have opened trade schools and vocational and cadre training classes for tens of thousands of demobilized and discharged military personnel to participate in the leadership of mass organizations. In the wards and districts, there is also active extablishment of many medium and small-size enterprises and cooperatives to attract tens of thousands of demobilized and discharged military personnel.

However, during the recent past, there are still some localities that do not fully realize the role of demobilized and discharged military personnel; therefore, this force has not received concern in elementary and advanced training and use. Registration and management lack firmness, there is no grasp of the capabilities of demobilized and discharged soldiers, and there are still no methods for rational use in economic and social construction and development or in building national defense in the local area.

In order to properly develop the capabilities of demobilized and discharged military personnel on the production development, socialist transformation, and fatherland construction and protection front, local areas must first of all organize their investigation, registration and classification. On that basis, closely ascertain the political qualities, trade specialties, health and standards in every aspect of each individual. A system of registering demobilized and discharged military personnel must be promptly implemented, consistent with the requirements for policy, labor and mobilized reserve troop management. Subsequently, organize the delineation and formulation of plans for their elementary and advanced training and use consistent with their standards, health and trades aimed at answering the immediate and long-term requirements of the local area. Actual practice has shown that the use and elementary and advanced training of demobilized and discharged military personnel must have specific and firm phases. Those with good political qualities, health and cultural standards must receive elementary and advanced training to supplement the ranks of leadership cadres at the basic level. Demobilized and discharged military personnel with technical and professional standards must be deployed to the proper trade. Individuals directly engaged in production labor must have conditions created to both participate in production and in the self-defense military and youth union organizations, training them to become key elements in all aspects of local activity. Those who were cadres, workers, state civil servants, enterprise workers, etc. prior to enlistment must now receive priority in providing reasonable jobs precisely in accordance with the systems and policies promulgated by the party and state.

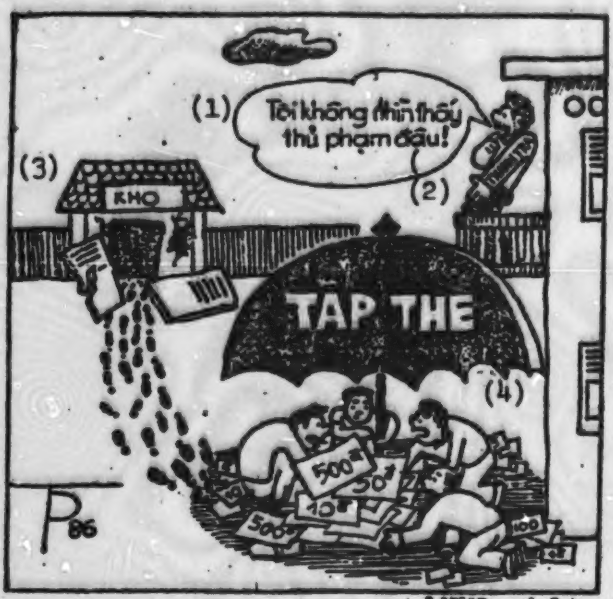
Demobilized and discharged military personnel returning to the local area are a valuable labor force and localities must therefore emphasize concern for the elementary and advanced training and good use of this force, considering it as a regular task of all echelons and sectors. Only in this manner will the elementary and advanced training and use of demobilized and discharged military personnel become a firm procedure, develop the strength of the men at the front, and assist in building and developing the economy, strengthening the national defense, and maintaining security and social order and safety.

7300
CSO: 4209/501

INABILITY TO COPE WITH COLLECTIVE SANCTIONED CRIME CARTOONED

Hanoi NHAN DAN in Vietnamese 13 Apr 86 p 4

[Cartoon]


(1)
Tôi không nhìn thấy thủ phạm đâu!
(2)
(3)
KHO
TAP THE
(4)
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50
10
500
100
P86

Núp bóng ô. (5) Tranh : PHẠM VAN TƯ

Key:

1. What culprits???? I don't see any.
2. Inspector
3. Depot
4. The collective
5. Sheltered by the umbrella's shadow

/8309
CSO: 4209/526

LAOS BUILDING ROUTE 16 WITH VIETNAMESE ASSISTANCE

Hanoi QUAN DOI NHAN DAN in Vietnamese 7 Apr 86 p 4

[VNA News Release: "Quang Nam-Da Nang Province Assists Tchepone Province, Laos Construct Route 16"]

[Text] Implementing the policy of cooperation between sister provinces, Quang Nam-Da Nang Province in Vietnam is assisting Tchepone Province in Laos to construct and upgrade Route 16 connecting Tchepone Province with Route 23 on the Bolovens Plateau. The construction on this road, which is 50 kilometers long and 8 meters wide, began at the beginning of April 1986 and will have the paving completed by 1990.

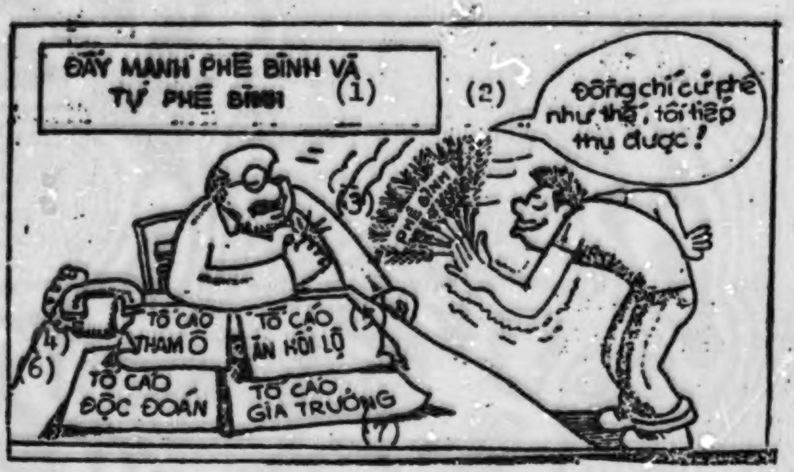
This is one of the key projects of Tchepone Province in the second 5-year plan and when completed, will create many advantages for economic and cultural development encompassing all export fields of the province and the entire nation.

7300
CSO: 4209/501

'CRITICISM' BY TOADIES OF CORRUPT OFFICIALS SCORED

Hanoi NHAN DAN in Vietnamese 13 Apr 86 p 4

[Cartoon]


ĐẨY MẠNH PHÊ BÌNH VÀ TỰ PHÊ BÌNH (1)
(2) Đồng chí cứ phê như thế, tôi tiếp thu được!
(3) PHÊ BÌNH
TỐ CÁO THAM Ô (4)
TỐ CÁO ĂN HỐI LỘ (5)
(6) TỐ CÁO ĐỘC ĐOÁN
TỐ CÁO GIA TRƯỞNG (7)

Không lời.

Key:

1. Promote criticism and self-criticism
2. Keep it up, that's the kind of criticism I can take
3. Criticism [only mild as symbolized by the fan]
4. Embezzling charge
5. Bribery charge
6. Arbitrariness charge
7. Paternalism charge

/8309
CSO: 4209/526

NHAN DAN EDITORIAL ON PRODUCTION COST MANAGEMENT

BK131459 Hanoi Domestic Service in Vietnamese 2300 GMT 11 May 86

[12 May NHAN DAN editorial: "Renovate Management Over Production costs"]

[Text] State enterprises are basic economic units authorized by the state to sue part of society's production materials to carry out production and business in accordance with plans to benefit the entire country, the collectives, and individual laborers.

In the centralized, bureaucratic, red-tape, and subsidy-based management system, the state assigns planned targets for production costs directly to basic economic units, applies the system of income quota computed in percentages against planned production costs, and distributes income on the basis of actual income. Facts over the years show that this mode of doing business does not encourage basic units to increase production because these units do not receive all of increased income even if they try to reduce production expenses and costs, not to mention the unrealistic establishment of production costs by certain localities.

The Political Bureau's draft resolution on guaranteeing basic economic units' right to autonomy in production and business fully reflects the spirit of and substantiates the party Central Committee's sixth, seventh, and eighth plenum resolutions calling for resolutely discarding the centralized, bureaucratic, red-tape, and subsidy-based management system and for shifting completely to economic accounting and socialist business while regarding planning as a central task.

The draft resolution points out: Enterprises must bear full responsibility for the problem of profits or losses in production and business and must strive to reduce expenditures to make business operation lucrative. From now on, enterprises must take the initiative to map out their own plans. The state will assign one to three legal norms directly to each enterprise, depending on each category of enterprises, and it will not assign legal norms for production costs. This is a fresh new point in economic the thinking of our party and state and their guidance for management over enterprises.

From now on, the state will carry out planning for enterprises in production and business by both the direct process -- that is, through various legal norms -- and the indirect process -- that is, through various systems and policies that encourage enterprises to provide themselves with more materials and to find more customers to consume their products and help develop their production and business.

The Political Bureau's draft resolution advocates dropping the assignment of legal norms for production costs, taking into account experiences drawn from realities. This is because once enterprises have the right to autonomy -- bearing responsibility for losses and profits in production and business -- they will be obliged to develop their dynamism and creativity, seeking all possible ways to reduce production costs. They will also be obliged to determine the norms for cutting down on the level of materials consumption or for reducing production costs on the basis of well calculated norms and unit prices.

Enterprises exercising the right to autonomy in production and business have demonstrated the correct orientation of the Political Bureau's draft resolution. In these enterprises, cadres and workers have developed their collective mastery, the constant efforts, and their lively initiatives to rearrange and reorganize production rationally, remove [word indistinct] and intermediary links, cut down on the level of energy and material consumption, and reduce transportation costs and other unnecessary expenses.

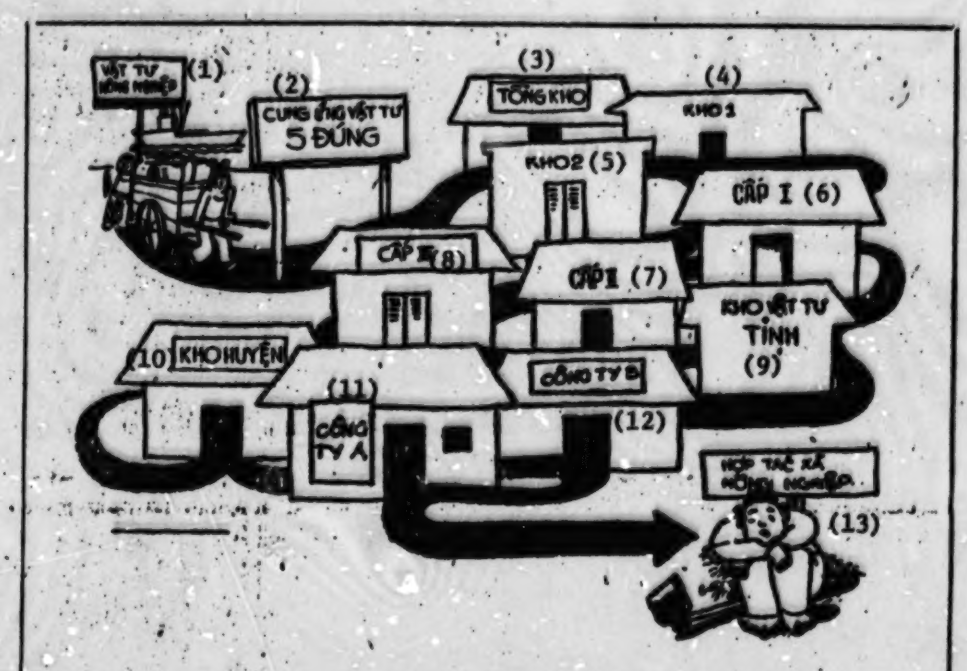
The new managerial mechanism has truly compelled basic economic units constantly to remove irrational expenses from production costs. Renovating management over production costs in accordance with the Political Bureau's draft resolution does not mean relaxing management over enterprises or floating production costs. Instead, it encourage basic economic units to reduce production costs constantly and improve economic results. This managerial mechanism is also designed to guarantee basic economic units right to autonomy in production and business while ensuring centralized and unified state control and guaranteeing the harmonious integration of the interests of the state with those of the collective and individual laborers.

/12929
CSO: 4209/527

PROBLEM OF SUPPLIES REACHING FARMERS ILLUSTRATED

Hanoi NHAN DAN in Vietnamese 18 Apr 86 p 2

[Cartoon]


VẬT TƯ NÔNG NGHIỆP (1)
(2) CUNG ỨNG VẬT TƯ 5 ĐÚNG
(3) TỔNG KHO
(4) KHO 1
KHO 2 (5)
CẤP I (6)
CẤP II (7)
CẤP III (8)
KHO VẬT TƯ TỈNH (9)
(10) KHO HUYỆN
(11) CÔNG TY A
CÔNG TY B (12)
HỢP TÁC XÃ NÔNG NGHIỆP
(13)
(14)

Lắm tầng, lắm cấp, lắm khâu
Vật tư nông nghiệp còn lâu mới về
Chỉ lo cây lúa ủ ê!
Tranh: PHẠM VĂN TƯ

Key:

1. Agricultural supplies
2. The "5 corrects" in furnishing supplies
3. General depot
4. Depot # 1
5. Depot # 2
6. Level I
7. Level II
8. Level III
9. Province supply depot
10. District depot
11. Corporation A
12. Corporation B
13. Agricultural cooperative
14. Alas, with so many levels, echelons, and stages, God knows when the agricultural supplies will get here, All I can do is worry and be sad about my rice.

/8309
CSO: 4209/534

ARMY PAPER REPORTS ON USE OF NEW FORMS OF CHECKS

BK101005 Hanoi QUAN DOI NHAN DAN in Vietnamese 17 Apr 86, p 1

[VNA report]

[Text] In compliance with resolution no 31 of the Political Bureau and the Council of Ministers on the urgent guidelines and measures to implement the party Central Committee's eighth plenum resolution, the Vietnam State Bank has issued a circular stipulating the issuance and use of limited checks to expand cashless payments and to reduce the amount of cash in circulation. The state bank will immediately issue limited checks for 20 and 50 dong. At the same time, it will also issued new regulations on "check payments" to facilitate cashless payments and to promote the rotation of materials, goods, and capital.

Limited checks are used to pay part of the salaries and allowances of cadres, workers, retirees, and other recipients authorized by the policy. Limited checks do not show payee's name. The bearer owns the face value of the check. Holders of limited checks can use them to pay for goods and services at state-owned trade units, marketing cooperatives, and other state-run service organizations; to buy national construction bonds; to pay taxes; to deposit into saving accounts; or to repay loans from banks and saving accounts. Checks with scribblings and erasures or rumpled checks are not valid for payment.

Agencies, factories, and economic organizations received money -- partly in cash and partly in checks -- from banks to pay salaries and allowances to workers, civil employees, and other individuals. Specific and appropriate ratios of cash to checques will be decided by the people's committees of provinces, cities, and special zones. Limited checks can be used at their face values for unified payment within provinces, cities, and special zones. The payment of purchased goods and services and of salaries and allowances to workers, civil employees, and other recipients under the policy is made through limited checks "with prescribed criteria similar to cash payment." If the sum to be paid is smaller than the amount shown on a check, the payer can receive the difference either in checks with smaller amounts or in cash. The issuance and use of limited checks in accordance with this circular will be reported by the directors of bank detachments in provinces, cities, and special zones to the appropriate people's committee chairmen so that specific plans and measures can be carried out in conformity with the situation in their localities.

Along with issuing limited checks, the state bank also issued new "regulations on check payment." All previous regulations on check payment conflicting with these new regulations are no longer valid. The following points are characteristics of the new regulations:

These new regulations authorize three types of checks: pay checks, pressman checks, and limited check books. In addition to these types of checks, there is another type used for funds transfers.

Checks are used for payment within localities and between localities, to draw cash from banks, and to transfer funds between economic organizations and units involved in trade and the supply of goods and services.

All agencies, economic organizations, and individuals with bank accounts or saving funds are authorized to use pressman checks, limited check books, and funds transfer checks for payments transferring funds or drawing cash from any bank either in the same locality or in other localities countrywide. Units and individuals having bank accounts are also authorized to use pay-checks to pay any units or individual having accounts in banks in the same locality.

Pay-checks to be used outside a locality are of a different form and can be applied to all state-run economic units and cooperatives having credits with banks. They are used for payments among economic units on the strength of economic contracts and owned bank accounts and to draw cash from banks. If the bearer's name is on a check, he can draw cash from a bank without having to be a unit's cashier as previously required by the banks.

Along with expanding the use of various types of checks for payments, to ensure validity and high economic results the banks have also placed some discipline on check payments for customers.

At the same time, the banking sector has also prescribed some internal regulations to reduce troubles for customers: If bank personnel or cadres cause some delay or make mistakes causing losses to customers, they will have to indemnify the unit incurring the loss at the rate of 0.2 percent of the amount of money involved per day for the number of days of delay.

/12929
CSO: 4209/527

BRIEFS

HEAVY RAINS, TORNADO DAMAGE--A message from Comrade Van Xuyen, Ha Nam Ninh-based NHAN DAN correspondent, says the mean early-May rainfall in Ha Nam Ninh measured up to 110 mm. In Ly Nhan, Thanh Lien, and Binh Luc districts, the mean 140-150 mm rainfall has caused waterlogging and flooding in some localities. People in the province are devoting efforts to strengthen embankments and combat waterlogging to save the rice. Worthy of note was a tornado hitting Hai Hau and Nghia Hung districts at noon on 10 May. The freak tornado, with grade 12 whirlwinds and gusts over grade 12, caused loss of life and property in areas between Hai Giang and Truc Hung villages in Hai Hau district, and to Nghia Hung district's 5 villages of Nghia Hong, Nghia Hoa, Nghia Hai, Nghia Phu and Nghia Lac. Initial reports say the tornado killed or injured a number of persons, wrecked hundreds of homes, and caused havoc to thousands of hectares of fifth month spring rice. On the heels of the tornado, the Ha Nam Ninh provincial party committee and people's committee sent groups of cadres from the public health, finance, and banking sectors and mass organizations to the tornado-hit areas to help overcome the consequences. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 12 May 86 OW]

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CSO: 4209/527

LIGHT INDUSTRY

DO MUOI ADDRESSES SMALL INDUSTRIES CONFERENCE

BK081448 Hanoi QUAN DOI NHAN DAN in Vietnamese 24 Mar 86 p 1

[Text] The small industry and handicrafts sector held a conference during 18-21 March to review its 1985 task and discuss production and business for 1986 in accordance with developing planning and implementing the new management system in order to increase the production output of consumer and export goods, while expanding cooperation with foreign countries, exploiting the available work force, and contributing to redistributing labor at the provincial, city, and district levels.

Last year, although the sector received insufficient materials from the state while prices fluctuated during the last months, it strived to develop various grassroots units' dynamism and creativity. As a result, the sectors value of gross output was 100.7 percent, an increase of 14.6 percent, while production output of export goods was 101.8 percent, an increase of 19.6 percent compared with 1984.

To date, the sector has received quality certificates for 8 products, and gold, silver, and bronze medals for 485 other products. The sector has accelerated cooperation with members of the SEP [expansion unknown -- FBIS] organization. It has signed 1986-90 long-term agreements with Czechoslovakia, Cuba, Hungary, and Poland for training managerial and technical cadres, installing equipment for small factories, exchanging goods, and producing more small industrial goods and handicrafts.

In 1986, the sector is concentrating on producing consumer and export goods, while striving to increase products for the agricultural, forestry, and fishery sectors. It has paid special attention to producing and processing materials for its own use, while striving to achieve a gross production value of 50 billion dong, or an increase of 11.2 percent, in which value of export goods increases by 18.7 percent compared with 1985. The sector is striving to develop initiatives, improve technique, install new equipment and production machines, improve industrial regulations, apply scientific and technological advances, improve skills of cooperative members in order to obtain higher productivity and better quality goods, satisfactorily build and use the new management system, reorganise production, consolidate and perfect the socialist production relations, and develop the right to initiative of grassroots units in production and business.

Comrade Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers attended and addressed the conference. He urged the sector to realize its position and role in the national economy, surge forward to produce more consumer and export goods, strive to apply new management systems, improve planning, implement lever techniques, apply technological advances to production to increase productivity and improve quality of goods and produce more new products with the motto: small industry must be modern and handicrafts must be skillful. We must also accelerate socialist transformation in both north and south, giving special attention to improving the result of transformation and consolidating the socialist relations of the small industry and handicrafts sector at present.

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ACHIEVEMENTS OF TRADE UNIONS REVIEWED

Hanoi LAO DONG 6 Mar 86 pp 1, 2

[Article by H. T.: "Workers, Laborers, and Unions of Ho Chi Minh City Review the Execution of the 10 Pledges"]

[Text] As this paper announced earlier, on 16 February 1986, the municipal people's committee and the federation of trade unions of Ho Chi Minh City have organized a new year meeting between workers, laborers, and unions, and the chairman of the Council of Ministers, Pham Van Dong, to make a report on the execution of the 10 pledges made to the chairman at the meeting of July 1985.

Following is a summary of a report made by Comrade Mai Van Bay, member of the secretariat of the Vietnamese Confederation of Trade Unions, and secretary of the city's Federation of Trade Unions at the meeting:

Subsequent to the second meeting in July 1985 with the chairman of the Council of Ministers, 18 district unions, 16 sector unions, and over 2,500 unions of basic units in the city have enthusiastically exchanged their views, and set objectives and measures to carry out the 10 pledges. Working sessions were held between leadership cadres of the city and sectors and workers and employees, in which recommendations made by the latter were thoroughly considered and appropriately solved. The coordinated efforts triggered a frenzied emulation movement whose most noticeable feature was the initiative taken by city workers and employees in formulating, by their own, concrete objectives and pledges aimed at raising productivity, enhancing quality, and strictly observing the principle of economy. Results obtained in the execution of the 10 pledges since July 1985 until now are summarized as follows:

1. Production: Although confronted with harsh difficulties, in 1985, Ho Chi Minh City reached an industrial and small-industry output of 32 billion dong. Although the plan was not completed (32.5 billion dong), there was an increase of 13 percent compared with 1984. State-run businesses accounted for 65 percent of retail sales in the city.

2. Execution of the resolutions of the sixth, seventh, and eighth plenums of the CPV Central Committee and other resolutions of the CPV municipal committee: In conjunction with government agencies, unions of various levels

have campaigned for the participation of workers and employees in the renovation of the management structure, chiefly the planning structure, in the abolishment of bureaucratic and overbearing styles, in the implementation of economic accounting and socialist-style business, in the lowering of product cost, and in the execution of circulation and distribution operations. Also in cooperation with the government, unions contributed in the formulation of production plans, reassignment of labor, and reclassification of the wage system.

3. Execution of the four systems of responsibility in accordance with Decree No 217/CP of the Council of Ministers was done well. City workers and employees attended meetings and contributed in the formulation of rules and execution measures pertaining to the four systems of responsibility. Those efforts drastically reduced negative phenomena and were instrumental in developing the emulation movement, with most notable results achieved in the following units: Nha Be Steel, Caric Engineering, 2 September Pharmaceutical, Thanh Cong Textile, Dong Phuong Textile, and the Consolidated Printing House, etc.

4. Political and professional education and training was diligently and continuously conducted. Of the total number of workers and employees, 90 percent were given three basic political lessons, the remaining 10 percent being newly hired workers. Other training sessions were held for workers and employees to discuss the text of the lecture of the chairman of the Council of Ministers. Complementary academic courses by 131 units were organized for their workers and employees; they also established 10 additional clubs, raising the total number of district clubs in the city to 35. The city federation of trade unions has organized a Folk Arts Performing Club with the participation of 80,000 actors having 30,000 items in their repertories. The city had 200 tabletennis teams, 168 volleyball teams, 158 soccer teams, and 60 swimming teams regularly playing and practicing. All these activities contributed to enhancing the morale of workers and employees. The city union's school has organized two advanced general education courses, two courses on union professional responsibilities, and one intermediary course for 88 union cadres of basic units.

5. Fight against negativism: The municipal federation of trade unions has organized 115 worker-inspection teams. The municipal people's committee has issued a decision widening the authority of those teams. In 1985, the teams conducted 3,836 inspections and made recommendations on 1,328 cases, resulting in the recovery of properties and money for the government. Those activities contributed to the deterrence of negative pheonomena in production, in society, and in distribution and circulation, strengthening the confidence of the people.

6. Contribution to the maintenance and repair of public works: The municipal federation of trade unions has launched several phases of propaganda and education activities inviting workers and employees to participate in the protection and maintenance of public places in order to make the city truly clean and civilized. With the municipal police, the federation of trade unions has signed a joint resolution making official the coordinated efforts of

workers and employees with the police in the protection of production, and of public welfare places that bear the anme of Uncle Ho.

7. Establishment of civilized community quarters, and of new cultural families: the federation of trade unions has organized study sessions on the five requirements of the new cultural family for 85 percent of workers and employees. The city has now 12 civilized community quarters. In terms of family-planning activities, campaign committees were established in 95 percent of units, and 100 percent of units had their workers register in the family planning program. Those efforts resulted in bringing down the birth rate to 1.4 percent while the planned target was 1.6 percent.

8. Care for the livelihood of workers, employees, and laborers in the city: to assist workers and laborers in improving their livelihood, units have applied the method of wage payment on contract, and product contracting. A permanent system of payment of bonuses was implemented, and staple commodities were supplied to workers and laborers in the city through a network of canteens and marketing cooperatives. The city has provided 14,000 housing units for workers and laborers, including 6,000 units newly built under the formula, "The state and the people work together," with 60 percent of the expenses contributed by the people. Units also engaged in secondary production activities, such as animal husbandry and vegetable planting, to increase the workers' income. Among the 690 units that had registered for the construction of refectories with "three well-done standards," 280 satisfactorily completed the construction.

9. Organization of worker and employee conferences and signing of collective agreements: Since the start of the year, all units have organized worker and employee conferences to discuss ways to carry out the plan from the production teams and up. A total of 2,181 units signed collective agreements for the completion of planned objectives.

10. Strengthening of the basic units' unions: Almost all workers and employees were absorbed into trade unions. At present, union members make up 95 percent of the total workers and employees. Of the 2,673 trade unions of basic units, 1,726 were classified as strong organizations, or 67 percent, and 732 as average unions. Trade unions have introduced 6,396 outstanding members to the party, of which 1,273 were accepted as party members.

Comrade Mai Van Bay has also reported to the chairman of the Council of Ministers those issues that need improvement, and presented five recommendations to the Council of Ministers aiming at alleviating problems encountered in the emulation movement.

9458/12955
CSO: 4209/423

POST-MATERNITY LEAVE PROBLEMS DISCUSSED

Hanoi LAO DONG in Vietnamese 6 Mar 86 p 2

[Text] The issuance of a state determination allowing a 180-day maternity leave gave a salutary boost to the morale of female workers and employees of childbearing age. In sharing their thoughts, some women said that 6 months of rest and relaxation allows both mother and child to recuperate and get stronger, and that placing a child in kindergarten in the seventh month is excellent timing.

That is the official line that should have made women at ease and happy. However, at many places, some lamented that the 180-day leave is a matter of serious concern. We will know why after hearing the story of Mrs Ha, of the X Plant.

Ha is a good accountant and her name was on the promotion list for senior accountant. At that time, she was granted a maternity leave, her first child being born just when the 180-day leave system became effective. From late May to early December 1985, Ha went to her native village in Thai Binh and stayed there with her mother.

When her leave was exhausted, she reported to her bureau chief at the plant, who told her: "There is no opening at present, please stay home. We will call you when a position is available."

Many times afterward, she reported directly to the plant director, and got the same answer. "We will call you.."

But when? Ha was fed up and put the blame on herself: the problem stemmed from her becoming a mother! But, "just a minute," she said to herself, "I did not give birth to a child before the age of 23, nor was my child the third or the fourth..! The child is the first, and born... according to plan!"

Ha's worry was legitimate, and this writer took the liberty to share it with our readers. Owing to active intervention of the plant's Female Workers Trade Union, Ha was accepted back to her accounting job. Her worry was not unique, but has been the mind-boggling concern of many other young mothers whose only aspiration is that the manager do not lock at them as a burden and pick on them with restrictions, penalties, and pushing them out of the production chains.

In the final analysis, (planned) parenthood is also a function of social labor, a noble and inalienable duty of a woman.

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